Credit
Research
Center

HOUSEHOLD CREDIT DATA BOOK

1987

Krannert Graduate School of Management — Purdue University

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Household Credit Data Book

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A. Charlene Sullivan*

Preface

The Credit Research Center receives many requests for basic statistical information relating to trends in household credit use (consumer and mortgage credit) and developments in those markets. This data book provides a summarization of various data series pertaining to household credit markets for the period 1975 to 1986, an explanation of the data, and references to relevant research. Data are presented in both chart and table form. Comments concerning trends in credit markets and possible explanations of trends are provided when appropriate.

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*The authors are senior research scholar and associate director of the Credit Research Center, Purdue University. The authors especially thank Adam T. Brown and Renee' A. Mullins for data collection and computer assistance.

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I. General Conditions in the Consumer Credit Market

A. Growth in Consumer Credit Outstanding

Nominal and Real Total Consumer Credit

From 1975 to August 1986, the dollar amount of consumer installment credit outstanding in the United States increased by 260 percent. Much of the growth in credit outstanding materialized since the beginning of the current business cycle-nominal consumer credit outstanding increased by 77 percent between November 1982 and August 1986.

Such factors as demographic changes, declines in the after-tax cost of credit, and the extraordinary length of the current business expansion may have affected the demand side of the consumer credit equation during the period. On the supply side, the removal of usury ceilings, the deregulation of rates paid on savings deposits, and innovations which resulted in the development of new credit products may also have been responsible for an increased availability of installment credit.[1]

Additionally, the growth in the dollar value of consumer credit may be a reflection of changes in contract terms and credit products. A steady lengthening of maturities for auto credit contracts has had a positive effect on the affordability of credit which was associated with an increase in the amount of consumer credit outstanding. And the use of credit cards as a transactions mechanism results in a large number of dollars being counted as credit outstanding but which are actually not credit in the eyes of the credit card holder.

There is some evidence from household survey data that high-income households are responsible for much of the new credit outstanding since 1970. In 1970, only 47 percent of households in the top 20 percent of the household income distribution used consumer credit and they held 22 percent of total installment credit outstanding. In 1983, 61 percent of

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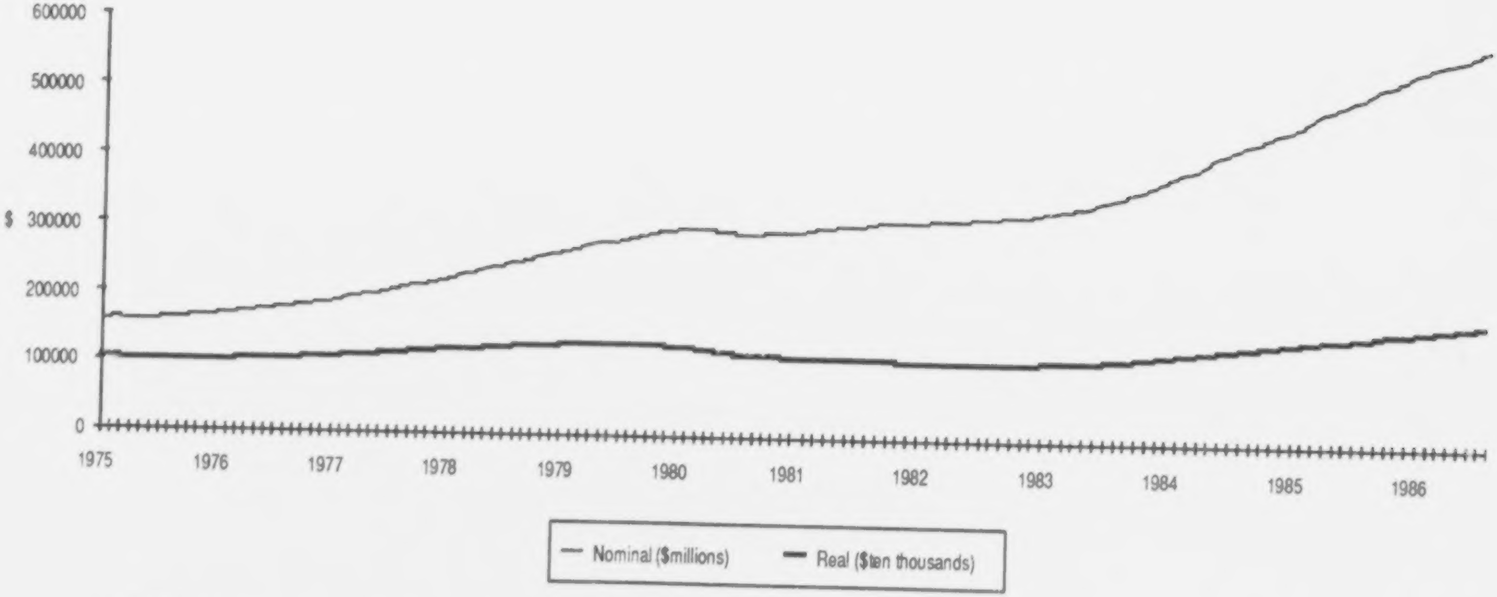
[1] D.K. Pearce, "Rising Household Debt in Perspective," Economic Review (July-August 1985): 3-17; C.A. Luckett and J.D. August, "The Growth of Consumer Debt," Federal Reserve Bulletin (June 1985): 389-402.

CHART 1. TOTAL CONSUMER INSTALLMENT CREDIT (seasonally adjusted)



Data for Chart 1 shown in Tables 1 and 2.

households in the highest income quintile used consumer credit and held 42 percent of total installment credit outstanding.[2] Their increased use of credit may be associated with tax related incentives for using credit, the co-insurance properties of two-income households, and the unique nature of the life-style demands of young people today in the household formation stage of the life-cycle.[3]

In real terms, consumer credit outstanding increased by 71 percent between January 1975 and August 1986. Data presented in later charts indicate that the real growth in consumer credit outstanding has not outpaced that for real liquid assets held by households (Chart 65). A measure of household liquidity-consumer credit outstanding as a proportion of liquid assets held by households -- fluctuated in a range between 446 percent and 540 percent between 1975 and 1985 (Table 39).

Market Share and Credit Type

Commercial banks have held between 43 percent and 52 percent of consumer installment credit outstanding since 1975. A major erosion of the market share of commercial banks began in 1980 as auto finance companies became more aggressive in using incentive finance rates as a tool for marketing domestically-manufactured automobiles. (See Table 36 for a historical summary of those programs.) The shift of market share from commercial banks to finance companies was related to deposit rate deregulation which removed the cost of funds advantage that commercial banks had historically enjoyed.[4]

Another notable shift in market share is that achieved by savings and loan associations since 1980. The Depository Institution Deregulation and Monetary Control Act widened the asset powers of savings and loan associations. Since 1980, the share of consumer credit outstanding held by such institutions approximately doubled from 3.8 percent to 6.32 percent.

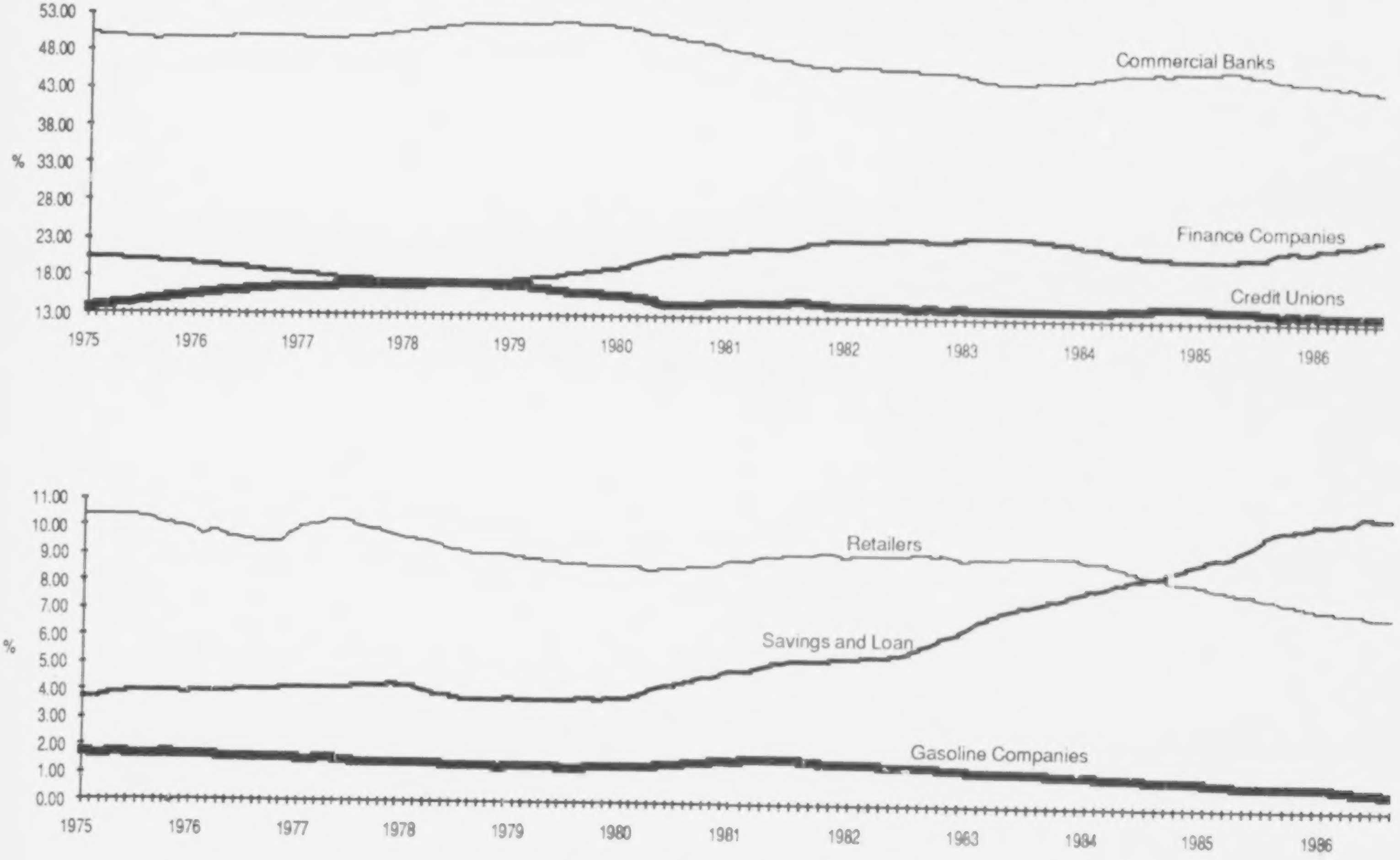
---

[2] A.C. Sullivan and D.D. Worden, "Economic and Demographic Factors Associated With Consumer Debt Use," Working Paper No.52, (Credit Research Center, Purdue University), 1986.

[3] A.C. Sullivan, "Tax Reform and Consumer Credit," Credit Research Center, Purdue University, 1987. (Photocopy.)

[4] John Duca, "Credit Rationing , Deregulation, and the Integration of the Auto Loan Market," Federal Reserve System, Division of Research and Statistics. (Photocopy.)

CHART 2. MARKET SHARE OF OUTSTANDING CONSUMER CREDIT BY MAJOR HOLDER



Data for Chart 2 shown in Table 3.

Retailers and gasoline companies have lost significant market share since 1984. Controlling a 10.1 percent share of the market in January 1984, retailers and oil companies sought to increase profits and sales growth by accepting alternatives to their own credit programs. Together, these creditors held only about 7.5 percent of the consumer credit outstanding in August 1986.

Another trend in consumer credit is reflected in the classification of total credit outstanding by type (Chart 3). Revolving credit outstanding has increased from 8.7 percent of total consumer credit outstanding in 1975 to 21.5 percent in 1986. Commercial banks have been the major beneficiaries of the growth in the use of revolving credit, holding 63 percent of revolving credit outstanding in 1986. The shift to unsecured revolving lines offered by banks was reflected in a corresponding decline in small unsecured loans offered by consumer finance companies and retailers.

Consumer Credit Growth Index

As indicated in Chart 1, a disproportionate share of the total growth in consumer credit outstanding since 1975 took place in the current business expansion which began in November 1982. However, all types of consumer installment credit have not grown at a uniform pace since that point in time (Chart 4). Revolving credit issued by commercial banks increased by 132 percent while revolving credit issued by retailers increased by approximately 36 percent. Auto credit increased at a rate closer to the overall average (86 percent versus 77 percent overall). (See figures in Table 1).

The rapid growth in the use of revolving credit issued by banks is reflected in the way consumers complete transactions. Between 1980 and 1985(II) credit card purchasing (all cards) as a percentage of non-housing expenditures increased from 12.6 percent to 15.0 percent.[5] The rapid growth in bank card credit outstanding since November 1982 relative to other types of consumer credit may be attributable to several factors: deregulation of interest rates for consumer credit, increases in the profitability of bank cards that motivated lenders to increase the availability of such products, and widespread consumer acceptance of this innovation in financial services as a payment system.

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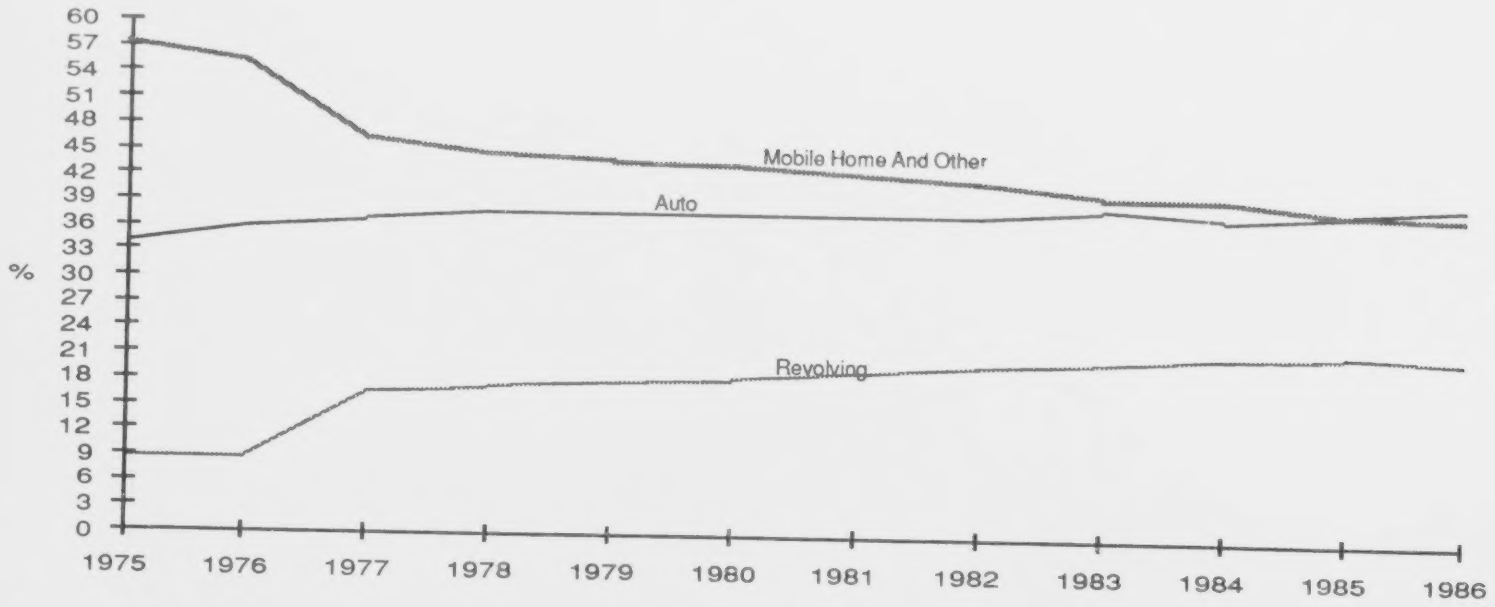
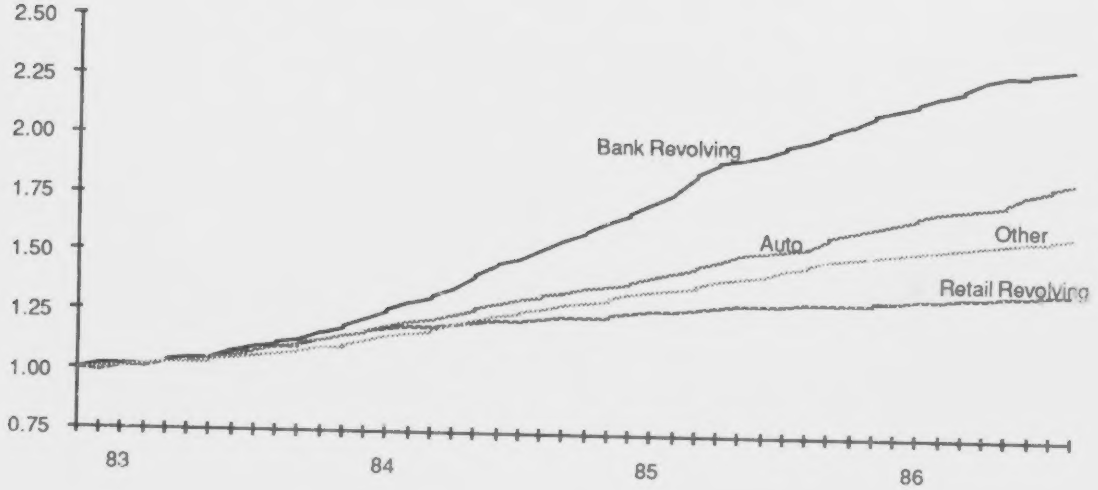
[5] Christopher C. DeMuth, "The Case Against Credit Card Interest Rate Regulation," Yale Journal of Regulation 3 (1986): 201-42.

CHART 3. DISTRIBUTION BY TYPE OF CONSUMER INSTALLMENT CREDIT OUTSTANDING



Data for Chart 3 shown in Table 3 part B.

CHART 4. CONSUMER CREDIT GROWTH INDEX
(Beginning of Current Business Cycle, November 1982 = 1.00)



Data for Chart 4 shown in Table 4.

Growth Rates for Total Consumer Credit Outstanding

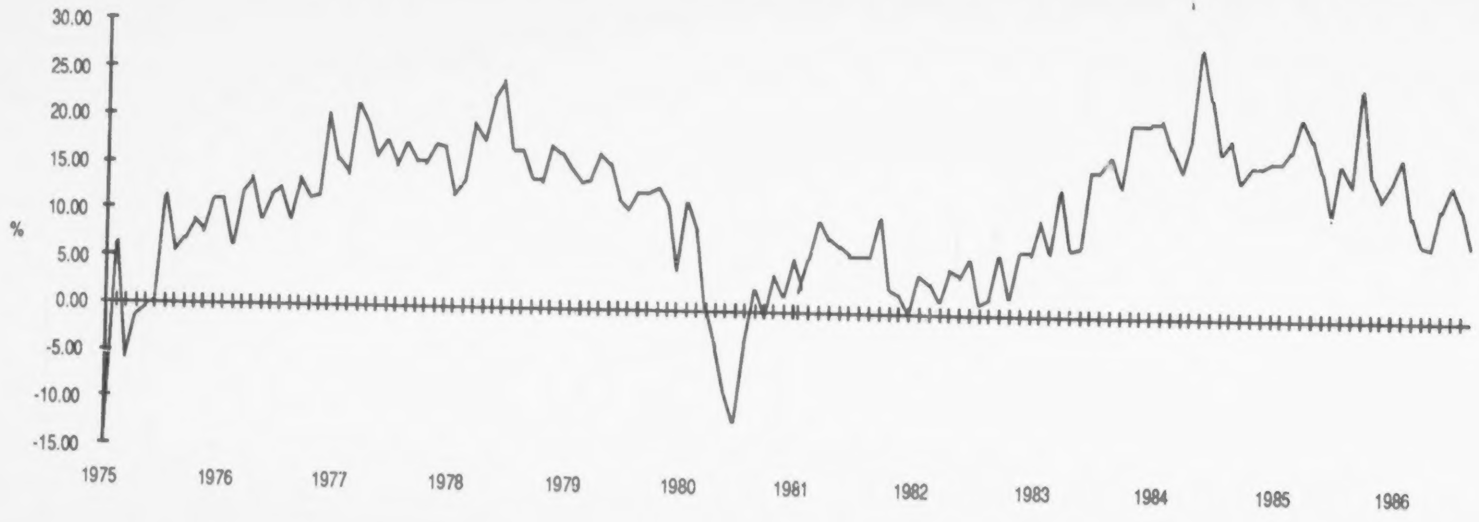
The monthly growth rate of consumer credit outstanding (on an annualized basis) corresponds to the peaks and troughs in the general business cycle (Charts 5 & 6). The growth rate of consumer credit slows markedly toward the peak of a business cycle and increases sharply from the trough. That this is true is not surprising given the importance of consumer spending in the calculation of the Gross National Product.

The annual growth rate in consumer credit outstanding peaked at 20 percent in 1984 and declined to 17 percent and 11 percent in 1985 and 1986 respectively. However, the increased availability of real estate secured credit (second mortgage and home equity lines) which may be substituted for consumer credit calls into question the validity of a declining growth rate for consumer credit from 1985 to 1986 as an indicator of the end of one of the longest business expansion periods since 1850.

A useful means of forecasting changes in consumer installment credit is called the Credit Change Ratio (CCR), the ratio of the change in consumer installment credit outstandings in a given period to the level of disposable personal income (Chart 7). The CCR is a leading indicator of peaks in the business cycle and can, therefore, be used to anticipate a decline in the rate of credit extensions.

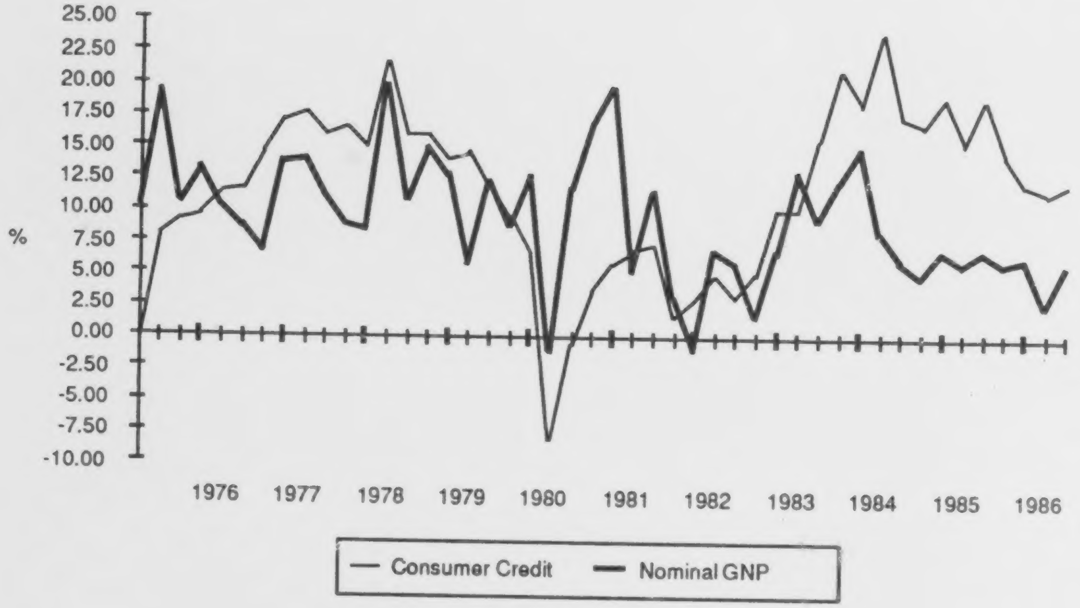
The CCR typically turns down before the peaks in the business cycle. Since extensions of consumer credit are closely associated with the state of the economy, declines in the CCR warn of a slowdown or decrease in consumer credit extensions. Peaks in the CCR preceded the recession of 1974-75 and the business cycle downturn which occurred in November 1973. The median lead of the CCR peak to business cycle peak has been eight months, although the lead at the bottom of the cycle (the trough) has been only one month. A decline of two consecutive quarters in the CCR has preceded the onset of almost every recession in the postwar period. The exception was the 1981 recession, which began in July 1981, following a decline of only one quarter in the CCR.

CHART 5. ANNUALIZED GROWTH RATE IN CONSUMER INSTALLMENT CREDIT (seasonally adjusted)



Data for Chart 5 shown in Table 5.

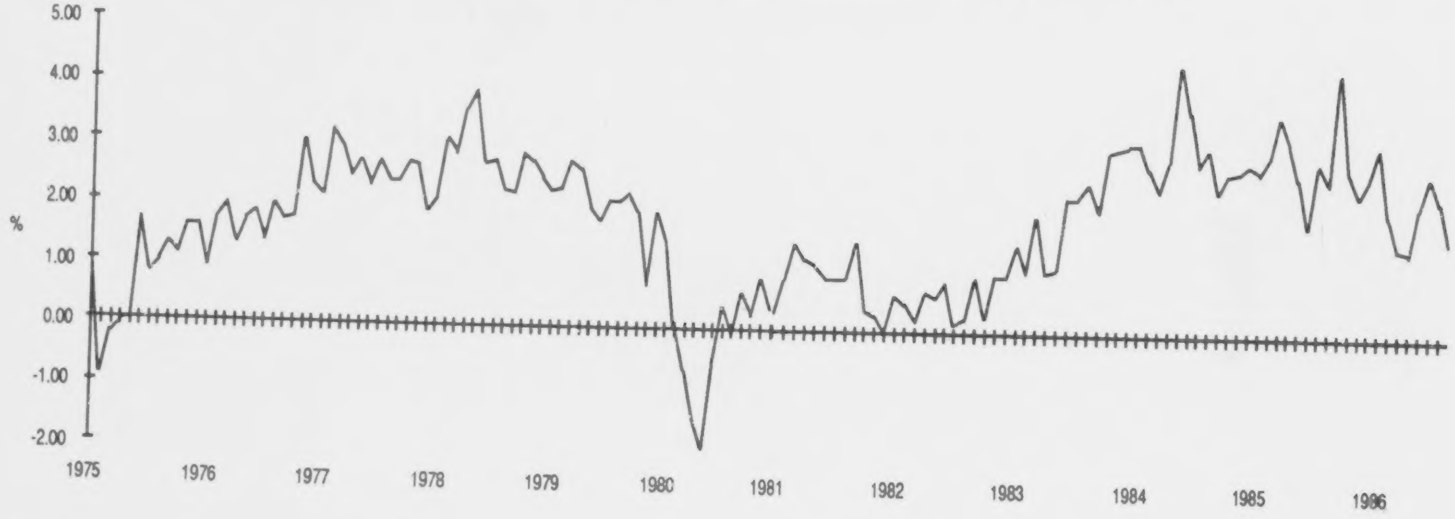
CHART 6. ANNUALIZED GROWTH RATES FOR CONSUMER INSTALLMENT CREDIT OUTSTANDING AND NOMINAL GNP
2nd Quarter 1975 - 3rd Quarter 1986 (seasonally adjusted)



Consumer credit growth rates shown in Table 5.

GNP data are from Bureau of Economic Analysis.

CHART 7. CREDIT CHANGE RATIO (seasonally adjusted)
(Annualized Monthly Change in Consumer Credit Outstanding to Disposable Income)



Data for Chart 7 shown in Table 6.

Indices based on the economic expectations of consumers also influence consumers' incentives to borrow for consumption purposes (Chart 8). As consumers grow more pessimistic about their economic futures, the growth in credit outstanding declines. The change in the sentiment index appears to lead the growth rate of credit outstanding by about 18 months. Finally, the growth rate for consumer credit outstanding is influenced by bankers' willingness to extend consumer credit. In a quarterly survey of loan offices, the Federal Reserve Board staff measures lending officers' willingness to extend consumer installment credit. The figures on the chart are an index that is derived by the difference between the percentage of respondants who were more willing and those who were less willing to extend credit. As banks become more willing to extend credit, the growth rate in installment credit increases (Chart 9).

B. Quality of Credit

Questions concerning the quality of consumer credit have been raised as the amount of credit outstanding has grown in the last ten years. The balance between debt and income and/or assets to repay the debt is the major determinant of credit quality or the ability of consumers to repay in full the debts they have incurred. Credit quality is also a function of consumers willingness to repay their debts, a psychological dimension that is independent of balance sheet variables.

Some indicators of the quality of consumer credit are available from the 1983 Survey of Consumer Finances. Balance sheet and income data were collected from a large national sample of households. These data are summarized in Table 8. It is clear that lower income households have less income and hold less liquid assets relative to consumer credit. However, the bulk of consumer credit outstanding is held by high income households who have more income and more liquid assets per dollar of consumer credit than lower income households.[6] These data suggest that as the use of credit by high income consumers has grown, the average quality of credit outstanding has improved, holding other things constant. An offset is the easy availability of bankruptcy relief from debts and the increased use of unsecured credit in the last ten years.

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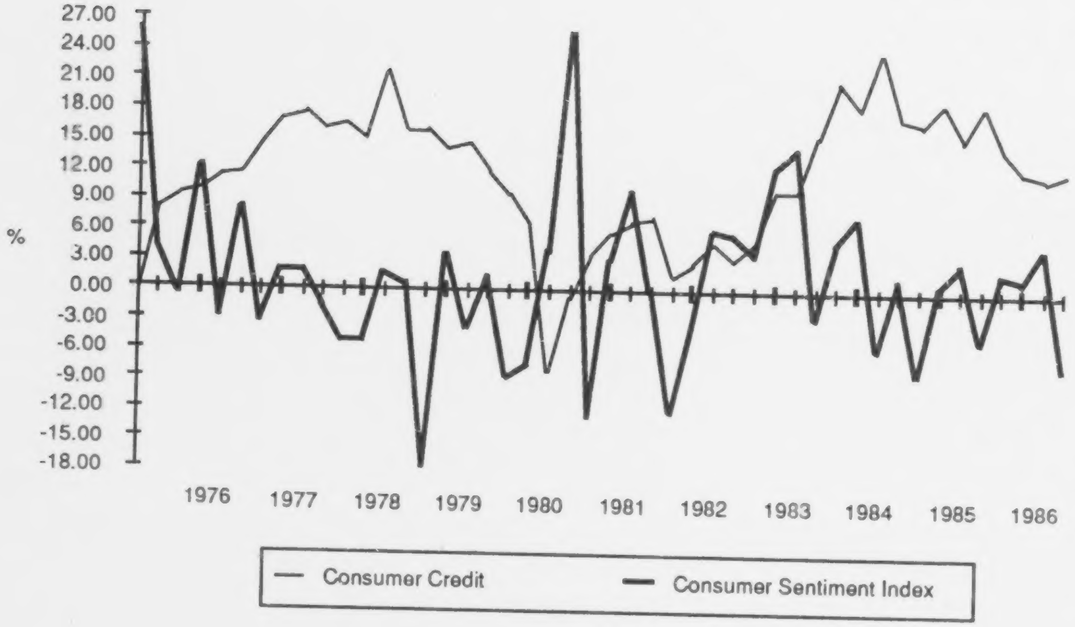
[6] A.C. Sullivan, "Liquid Assets and Consumer Credit on the Household Balance Sheet," Working Paper No.53, (Credit Research Center, Purdue University), 1987.

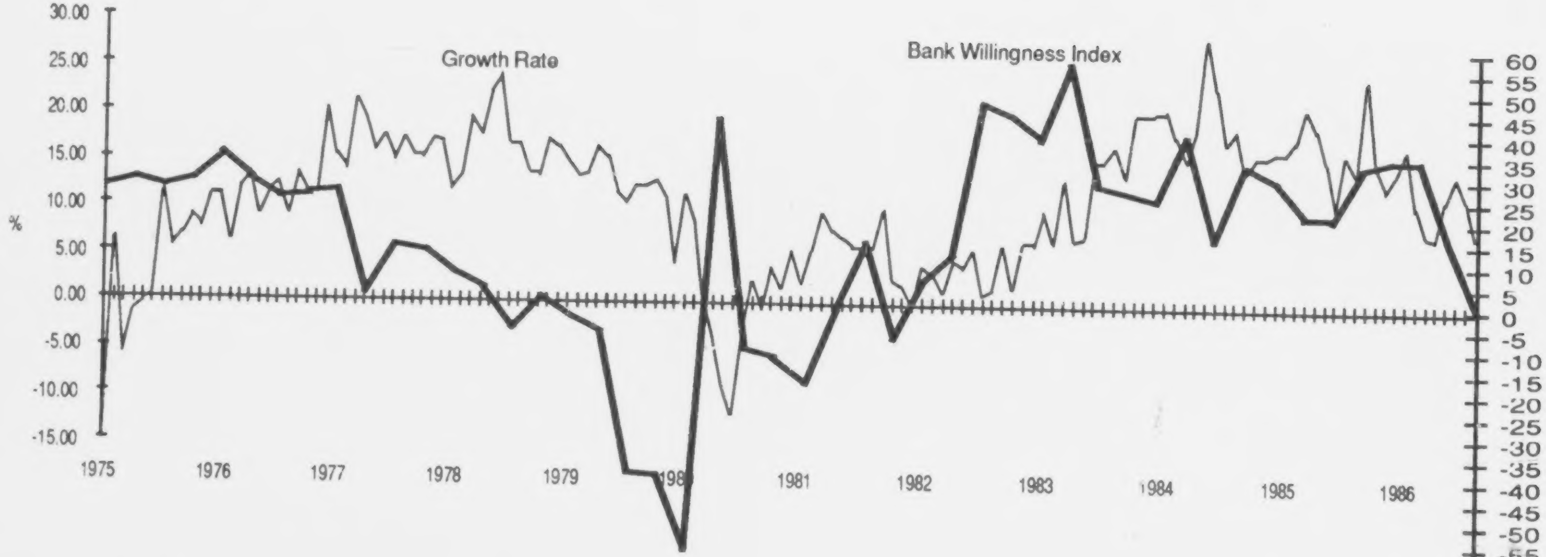
CHART 8. ANNUALIZED GROWTH RATE OF CONSUMER INSTALLMENT CREDIT OUTSTANDING (seasonally adjusted) AND QUARTERLY PERCENTAGE CHANGE IN THE CONSUMER SENTIMENT INDEX
(2nd Quarter 1975 - 3rd Quarter 1986)



Consumer credit growth rates shown in Table 5.

Percentage change in sentiment index calculated from data in Table 40.

CHART 9. ANNUALIZED GROWTH RATE IN CONSUMER INSTALLMENT CREDIT OUTSTANDING AND BANK WILLINGNESS TO LEND INDEX



Data for Chart 9 were calculated from quarterly survey data collected by the Federal Reserve Board.

C. Comparison of Profitability of Commercial Bank Functional Areas

Each year the Federal Reserve collect data from a sample of banks which are useful for evaluating the expenses, income and profitability of various functions of commercial banking. These data, called the Functional Cost Data, provide a view, albiet imperfect due to sample changes, of trends in the financial attractiveness of various lines of business in banking.

Between 1975 and 1985, the average net earnings after cost of money for the commercial lending function for a sample of commercial banks exceeded that for the mortgage, consumer installment, and credit card functions by at least 40 basis points (Charts 10 and 11). However, during the period, the annual level of net earnings for the commercial lending function declined sharply for both medium and large sized commercial banks. During the same period, the level of profitability for the credit card function declined sharply (from 1980 to 1982) and reached new highs between 1983 and 1985 with the combination of high credit card rates and a declining cost of money.

There appears to be a relationship between bank size and credit card profitability, as the credit card function for large banks was more profitable in every year than was the case for smaller sized banks. There is not a systematic relationship between the profitability of the other three funcions (installment, mortgage or commercial lending) and bank size (Table 9). In a recent analysis of the economies of scale in the bank card function, Pavel and Binkley concluded that the bank card industry may be characterized by increasing returns to scale. They predicted that the industry should be experiencing significant consolidation. And since 1980, the share of bank card loans held by the ten largest issuers of bank cards has increased from 37 percent to 58 percent in 1985.[7]

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[7] Christine Pavel and Paula Binkley, "Costs and Competition on Bank Credit Cards," Economic Perspectives, Federal Reserve Bank of Chicago (March/April 1987): 3-13.

COMPARISON OF PROFITABILITY OF COMMERCIAL BANK FUNCTIONAL AREAS

CHART 10. NET EARNINGS AFTER COST OF MONEY
(Banks with Deposits of $50 - 200 Million)

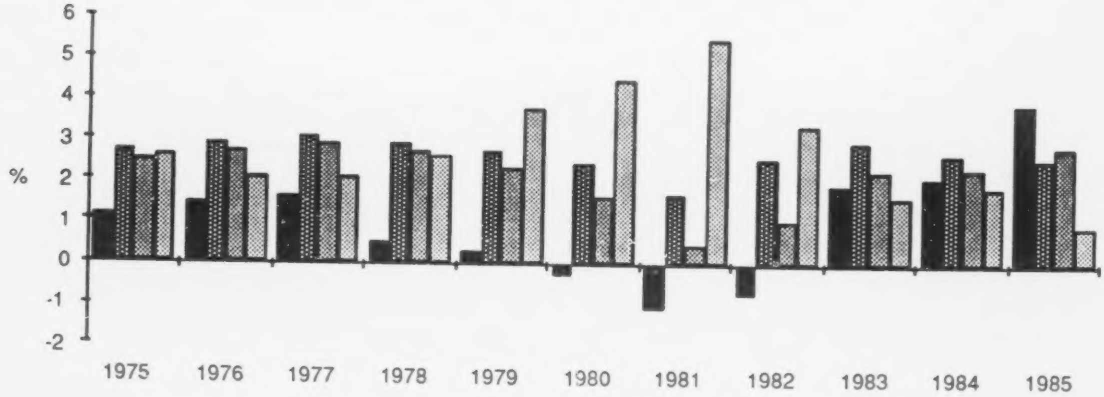
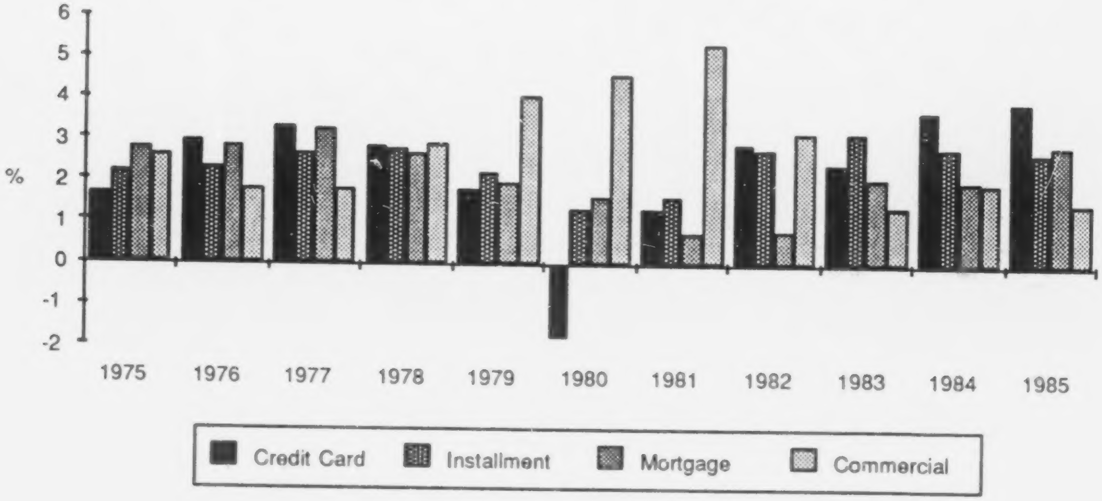


CHART 11. NET EARNINGS AFTER COST OF MONEY
(Banks with Deposits over $200 Million)



Data for Charts 10 and 11 shown in Tables 9 and 10.

D. Cost of Borrowing

Interest rates charged for consumer credit contracts have been the subject of constant scrutiny and regulation since the inception of credit markets. Charts 12 and 13 provide a pictoral representation of the relationship between interest rates for consumer credit contracts and those of mortgage contracts and for short-term Treasury securities. The data in Chart 12 indicate the close correspondence over time in movements in rates (APR) charged for new auto credit contracts from commercial banks (CBAUT) and auto finance companies (FCAUT) and mortgage contracts (10-year maturity) (FHLBB).[8]

The chart also clearly demonstrates the recent changes in position in the auto credit market of auto finance companies and commercial banks. Before 1980 FCAUT, the most likely rate charged on a new car loan by auto finance companies, was always above CBAUT, the most likely rate charged by commercial banks for a new auto loan. Auto finance companies operated as lenders of last resort in that market. After 1980, the APR for auto credit contracts from banks was generally above that from auto finance companies because of the incentive loan rates offered by the latter.

The price of unsecured credit, either a closed-end personal loan from a commercial bank (CBPER) or for a credit card (CBCC), was generally well above the market rate for 1 and 2-year Treasury securities (1YTN, 3YTN) (Chart 13) between 1975 and 1986. During the period from 1979 to 1982, the combination of restrictive loan rate ceilings and high money rates dramatically squeezed the margin between the consumer loan rates and short-term market rates. During that period the profitability of consumer lending in general and revolving credit in particular (Table 9) for commercial banks declined sharply (Chart 10 and 11).

It is evident from Chart 13 that rates for revolving credit have not fluctuated with short-term money rates. However, rates for other types of consumer credit (closed-end contracts) do fluctuate somewhat with the level of market interest rates which have comparable maturities.

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[8] A.C.Sullivan and J.R. Fain, "The Behavior of Consumer Loan Rates Charged by Commercial Banks,"Working Paper No.50,.(Credit Research Center, Purdue University), 1984.

CHART 12. AUTOMOBILE AND MORTGAGE INTEREST RATES

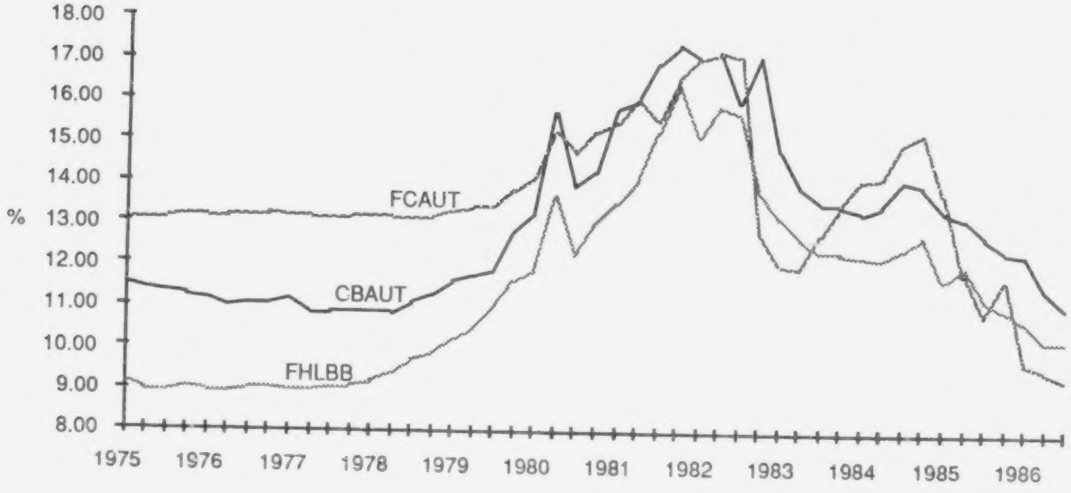
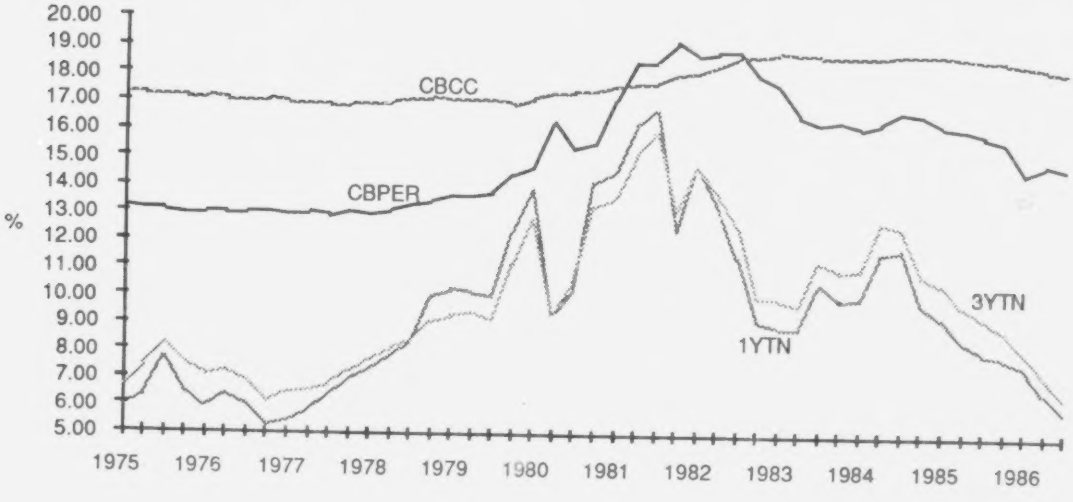


CHART 13. COMMERCIAL BANK PERSONAL LOAN AND CREDIT CARD RATES AND U.S. TREASURY NOTE YIELDS



Data for Charts 12 and 13 shown in Table 11.

E. Delinquency Rates for Consumer and Mortgage Credit

The American Bankers Association collects monthly data from a sample of commercial banks concerning the number of various types of closed-end consumer credit contracts delinquent by 30 days and over. These data, as a proportion of the total number of contracts of a particular type in the portfolios of the respondent banks are shown in Chart 14. The proportion of delinquent credit contracts in a portfolio is likely to reflect the lender's position relative to risk taking plus the state of the economy and its effect on borrowers' ability to repay.

The proportion of closed-end consumer credit contracts held by commercial banks and delinquent by 30 days and over declined sharply between 1980 and 1984 as credit outstanding was growing rapidly. The decline may be attributed to numerous phenomenon including increased availability of credit following deregulation, the increased use of credit by upper-income households or to growth of credit outstanding. Through August 1986, the level of delinquency for portfolios of closed-end consumer contracts had not returned to the peaks of 1980 but had moved back to the level that was generally evident between 1976 and 1979.

A recent analysis of the proportion of consumer credit contracts held by commercial banks that was delinquent by 30 days and over produced evidence that the level of portfolio delinquency is significantly and positively associated with a measure of the extent of household indebtedness (ratio of consumer credit/disposable income).[9] (See Chart 60). Additionally, the delinquency rate was significantly and negatively associated with the rate of growth in consumer credit outstanding held by commercial banks. (Chart 15 contains the growth rate of consumer credit and the quarterly change in the delinquency rate.) Delinquency rates for consumer loans held by commercial banks were not associated with the unemployment rate or measures of consumer sentiment.

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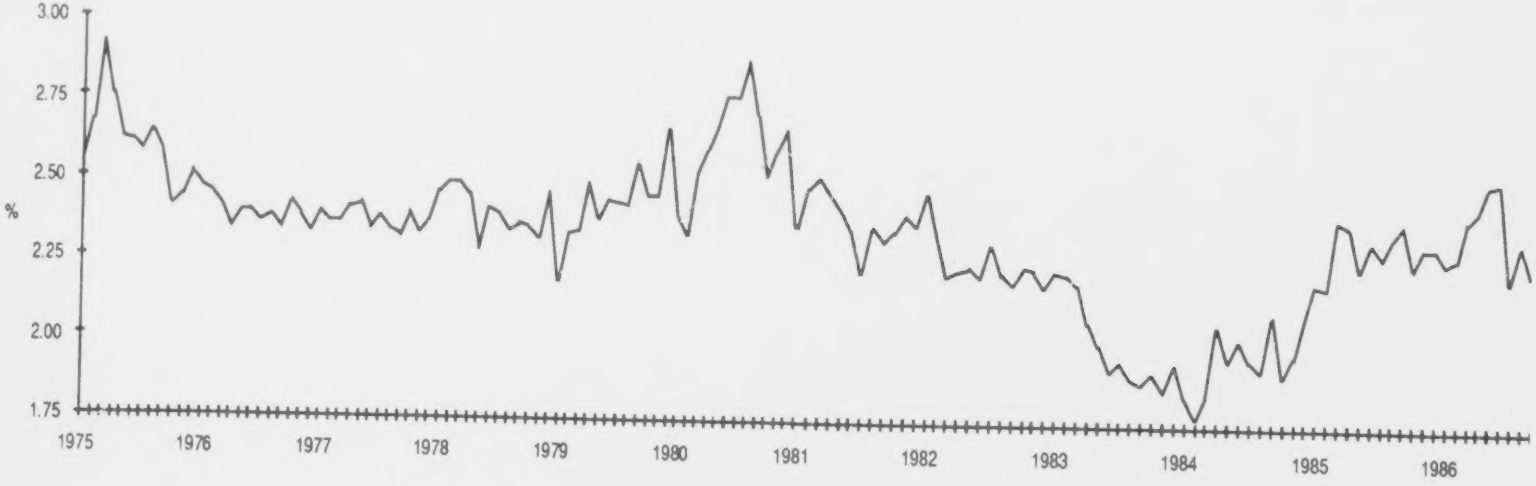
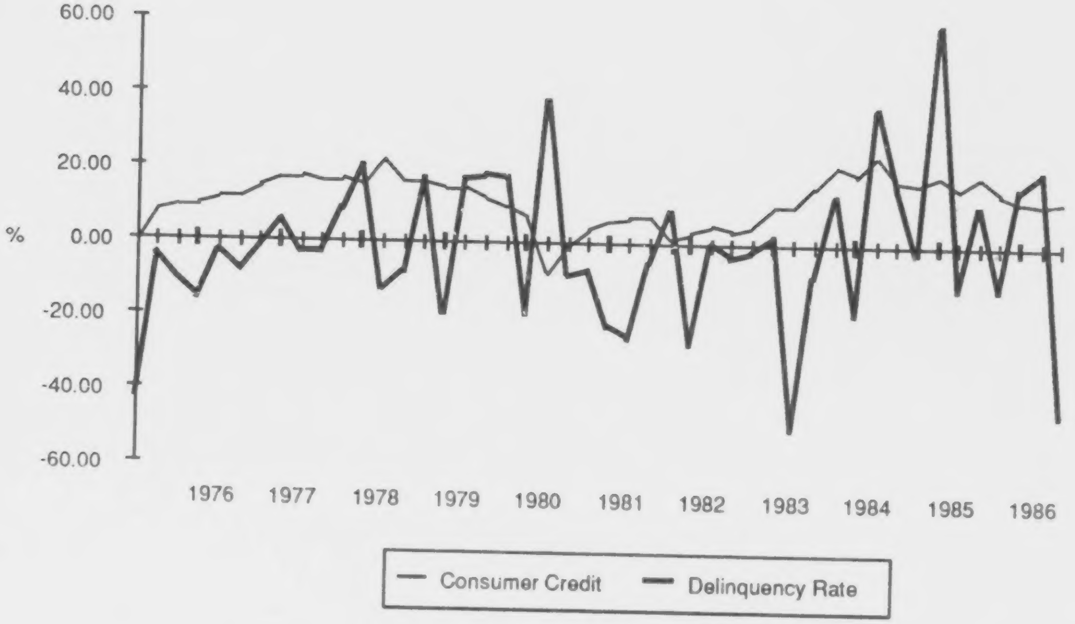
[9] A.C. Sullivan, "Economic Factors Associated With Delinquency Rate on Consumer Loans," Working Paper No.55, (Credit Research Center, Purdue University), 1987.

CHART 14. PERCENT OF CONSUMER INSTALLMENT LOANS DELINQUENT 30 DAYS AND OVER AT COMMERCIAL BANKS (seasonally adjusted)



Data for Chart 14 shown in Table 12.

CHART 15. ANNUALIZED GROWTH RATE OF CONSUMER INSTALLMENT CREDIT OUTSTANDING AND QUARTERLY PERCENTAGE CHANGE IN THE DELINQUENCY RATE (Percent of Consumer Loans 30+ Days Past Due) (2nd Quarter 1975 - 3rd Quarter 1986 seasonally adjusted)



Consumer credit growth rates shown in Table 5.

Percentage change in delinquency rates calculated from data in Table 12.

Delinquency Rates for Auto Loan Contracts

The market for auto credit underwent dramatic changes between 1975 and 1986 and those changes are reflected in the proportion of delinquent contracts in the auto loan portfolios held by commercial banks and auto finance companies (Chart 16). Before 1980, auto finance companies held riskier auto loan portfolios than commercial banks. And indirect auto loan contracts held by banks or finance companies were more risky than direct auto loan contracts held by commercial banks. Between 1981 and 1986 the proportion of contracts delinquent in all three types of auto loan portfolios was such that there was no apparent systematic difference in their credit risk. During that same period, the prices charged for new auto credit contracts by commercial banks and auto finance companies moved closer together (Chart 12).

Delinquency Rate for Bank Credit Cards

The bank credit card holds the position as one of the most important innovations in consumer financial services in the last 20 years. Between 1977 and 1983 the percentage of households in the U.S. that had a bank credit card increased from 38.5 percent to 42 percent.[10] Since 1982 when credit card rate ceilings in many states were raised or abolished altogether, credit card outstandings at commercial banks increased by 132 percent. Between 1982 and 1985 credit card transactions as a percent of total non-housing expenditures increased from 12.1 percent to 15.0 percent. The rapid growth in credit card outstandings was accompanied by an initial decline in delinquencies (Chart 17). In 1984, the proportion of credit card accounts that were delinquent by 30 days and over began to climb as lenders relaxed their credit standards to sustain the growth rate of their portfolios. By August 1986, the delinquency rate for bank credit card portfolios was close to an all time high.

Delinquency statistics for bank card portfolios are not exactly comparable to those for other types of consumer loans because so many credit card users do not use the card for credit but strictly as a convenient payment system. When credit card delinquency statistics are adjusted to extract the "good" effect of nonrevolvers, the delinquency rates for bank cards are higher than those for the riskiest type of closed-end loan--the small unsecured personal loan.[11] These data are useful for estimating credit risk management implications if households are discouraged from using credit cards for convenience purposes.

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[10] G.B. Canner and A.W. Cyrnak, "Recent Developments in Credit Card Holdings and Use Patterns Among U.S. Families," Journal of Retail Banking 8:3 (Fall 1985): 63-74.

Delinquency Rate for Mortgage Loans

Delinquencies for consumer loans held by commercial banks exhibited considerable variability between 1975 and 1986 but declined significantly after 1980 before moving back up in 1985 (Chart 14). In contrast to that, delinquencies for mortgage loans in general demonstrated a consistent increasing trend throughout the period (Chart 18). And the percentage of seriously delinquent loans (90 plus days past due) increased even more rapidly (Chart 19). Problems in the mortgage credit market that have been associated with the increasing credit risk are the slowing of the rate of price inflation on private residences and the increased use of adjustable rate mortgage contracts.

Delinquency Rates for Home Equity Secured Loans

The Tax Reform Act of 1986 established a schedule for eliminating the deductibility of interest paid on consumer installment loans but retained the deductibiltity of interest for mortgage credit. As a result, lenders began the promotion of home equity secured loans as a tax-advantaged substitute for regular consumer loans. And policy-makers, as well as credit portfolio managers, began a quest for information about the characteristics of the risk of a portfolio of home equity secured contracts.

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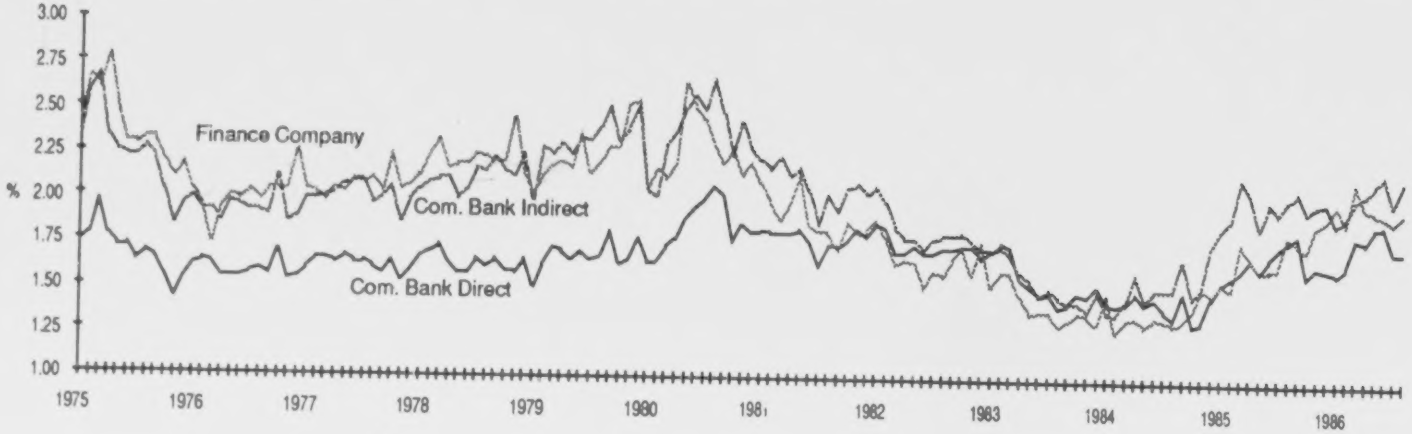
[11] A.C. Sullivan, "Economic Factors Associated With Consumer Loan Deliquency Rates," Working Paper No.55 (Credit Research Center, Purdue University), 1987. Adjusted delinquency rates for revolving credit versus delinquency rates for unsecured personal loans, based on ABA statistics and Functional Cost data on the percentage of active credit card accoutns that revolved are:

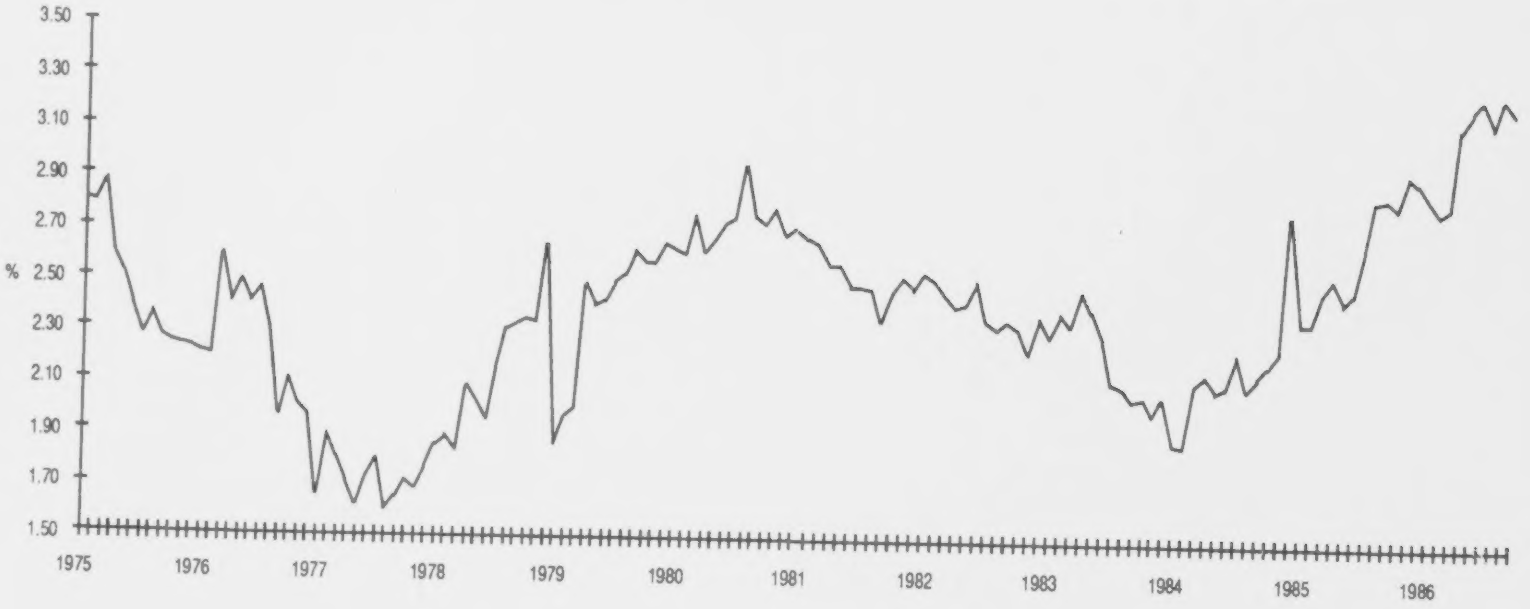
	Bank Cards (revolving and convenience)	Delinquency Rates for Bank Cards (revolving only)	Unsecured Personal Loans
1981	2.53%	3.87%	3.20%
1982	2.38	3.60	3.04
1983	2.08	2.98	2.84
1984	2.81	4.11	3.16
1985	2.95	4.20	3.63

CHART 16. DELINQUENCY RATES FOR AUTOMOBILE CREDIT
(Percent of Loans 30+ Days Past Due, seasonally adjusted)



Data for Chart 16 shown in Table 13.

CHART 17. BANK CREDIT CARD DELINQUENCY RATES
(Percent of Accounts Past Due 30+ Days, seasonally adjusted)



Data for Chart 17 shown in Table 14.

CHART 18. MORTGAGE LOAN DELINQUENCY RATES
(Percent of Loans 30 Days Past Due, seasonally adjusted)

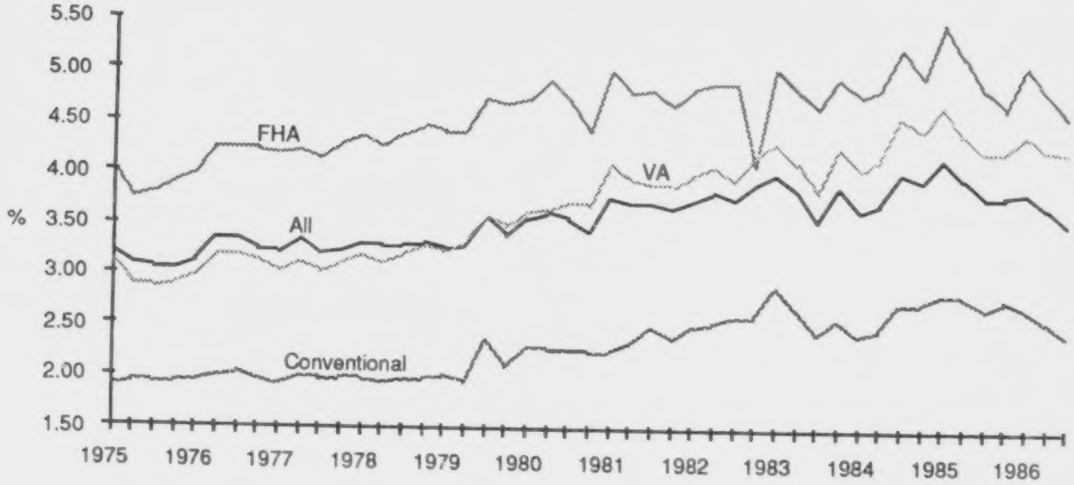
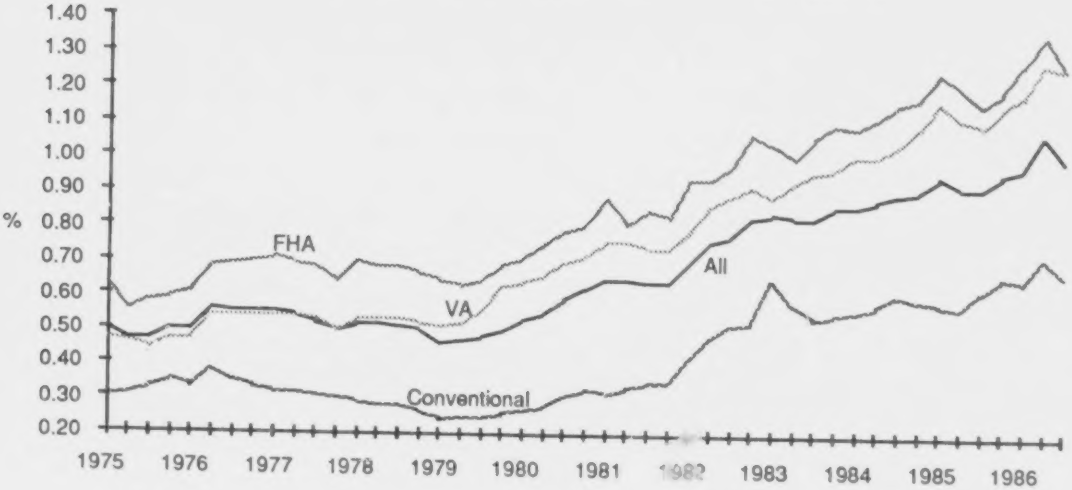


CHART 19. MORTGAGE LOAN DELINQUENCY RATES
(Percent of Loans 90+ Days Past Due, seasonally adjusted)



Data for Charts 18 and 19 shown in Tables 15 through 18.

The delinquency experience of a sample of commercial banks holding second-mortgage and home equity loans is exhibited in Chart 20. As one would expect, the proportion of delinquent accounts for a home equity secured loan portfolio was dramatically below that for a portfolio of credit card accounts between 1984 and August 1986. Deliquency rates for home equity loans track more closely with delinquency rates for auto loans (Chart 21 and 22). Second mortgage contracts generally exhibited a higher level of risk than direct auto loans but was comparable in risk characteristic to indirect auto loans.

Relative to other mortgage contracts (Chart 23) second mortgage contracts have lower credit risk. However, as second mortgage loan contracts become more widely used the delinquency experience for the two types of mortgage contracts will likely move closer together.

F. Analysis of Business and Nonbusiness Bankruptcy

The incidence of personal bankruptcy in the United States has exploded since 1979, the first year following the enactment of the Bankruptcy Reform Act of 1978 (Chart 24). Before the new legislative regime, the number of personal estates in bankruptcy per 100,000 in the population ranged between 74 and 105.05. Variation in the incidence of personal bankruptcy could be explained by the business cycle, the consumer debt burden and the level of consumer sentiment by the Consumer Sentiment Index from the Survey Research Center at the University of Michigan.[12] Since 1980 however, the incidence of personal bankruptcy has grown sharply in spite of the positive forces emanating from one of the longest business cycle upswings recorded in the United States since 1850. In an analysis of the determinants of aggregate consumer bankruptcy rates for the period 1945 to 1981, Shepard found that the incidence of financial failure is "exacerabated by rising divorce rates, unemployment and credit use". These trends were offset by increasing consumer wealth held in the form of real estate.[13]

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[12] A.C. Sullivan, "Economic Factors Associated With Personal Bankruptcy," Working Paper No.47 (Credit Research Center, Purdue University), 1983.

[13] Lawrence Shephard, "Accounting for the Rise in Consumer Bankruptcy Rates in the United States: A Preliminary Analysis of Aggregate Data (1945-1981), " Journal of Consumer Affairs (Winter 1984): 213-30.

ANALYSIS OF SECOND MORTGAGE DELINQUENCY RATES

The data for Charts 20 to 23 are derived from the American Bankers Association Consumer Credit Delinquency Bulletin. In October, 1983 the ABA began reporting the number of home equity and second mortgage loans (closed-end only) past due 30 days or more at commercial banks. The data are not seasonally adjusted and are presented in Table 19. In the following charts this second mortgage delinquency rate is compared to the unadjusted delinquency rates for bank card credit and direct and indirect auto credit at commercial banks. In Chart 23, second mortgage delinquencies are compared to the Mortgage Bankers Association quarterly measures (seasonally adjusted) of 30 day delinquency rates -- all mortgages and conventional mortgages only. These mortgage data are shown in Tables 15 and 16.

CHART 20. SECOND MORTGAGE AND BANK CARD DELINQUENCY RATE

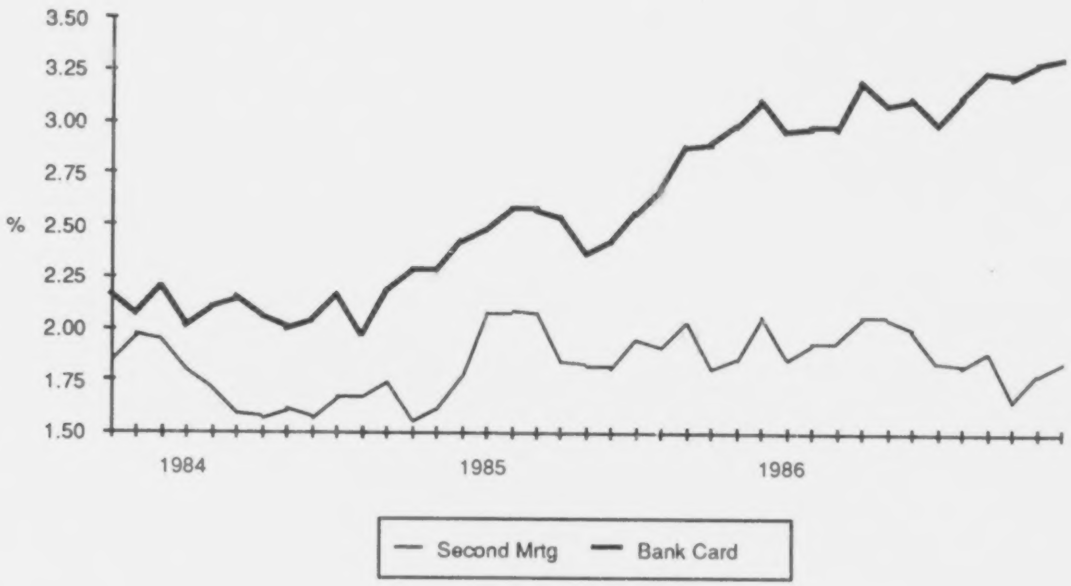


CHART 21. SECOND MORTGAGE AND DIRECT AUTO LOAN DELINQUENCY RATES

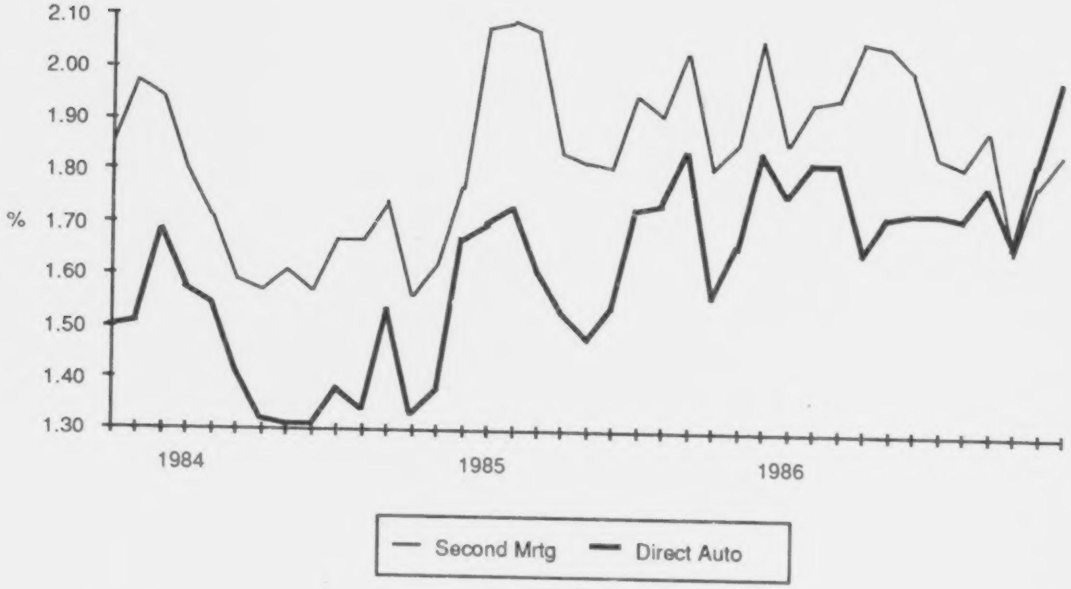


CHART 22. SECOND MORTGAGE AND INDIRECT AUTO LOAN DELINQUENCY RATI

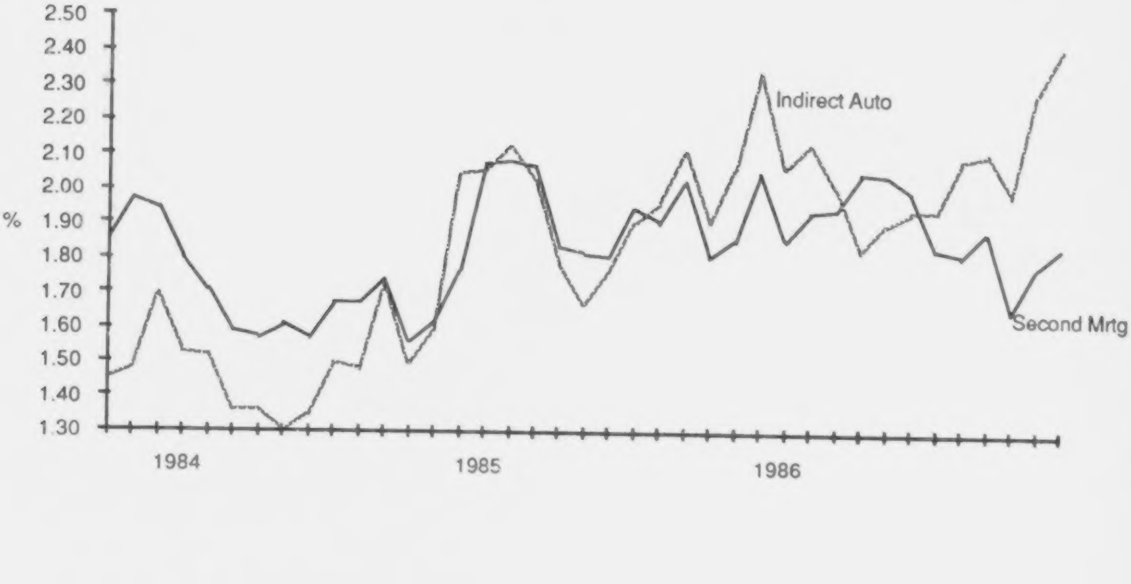


CHART 23. SECOND MORTGAGE AND OTHER MORTGAGE DELINQUENCY RATES

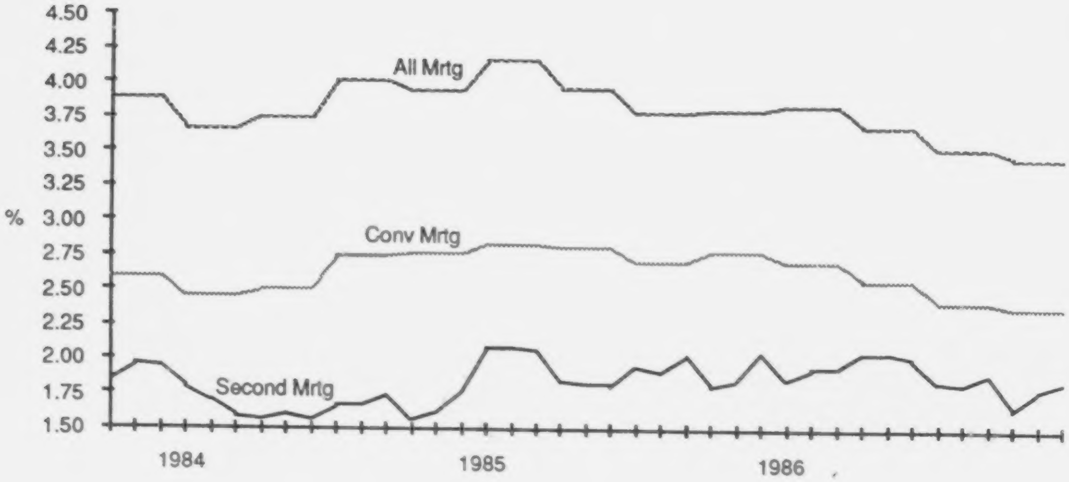
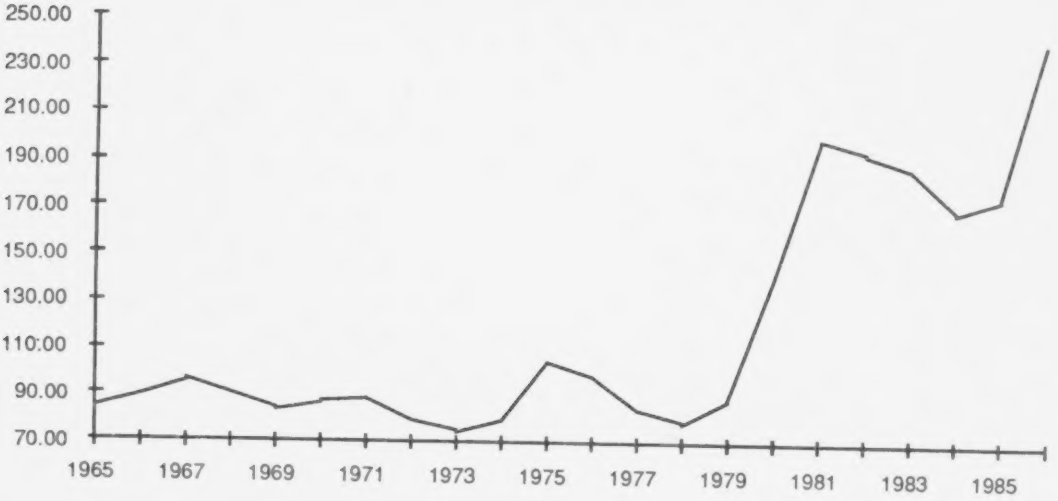


CHART 24. ESTATES IN PERSONAL BANKRUPTCY PER 100,000 POPULATION IN U.S.



Data for Chart 24 shown in Table 20.

ANALYSIS OF BUSINESS AND NONBUSINESS BANKRUPTCY

(By Region of Country and for Four Heavily Populated States)

Charts 25 through 44 show the incidence of business and nonbusiness bankruptcy filings for each of the nine census regions of the United States and for the nation overall. Charts 45 through 52 present the same analysis for California, Florida, Illinois, and New York. The data are shown in Table 21.

The charts are presented in pairs. The first chart in each set presents the number of bankruptcy filings commenced (in total and separately for business and nonbusiness petitions) from July 1 of the previous year through June 30 of the reported year. The second chart presents the annual percentage change in bankruptcy filings -- separately for business and nonbusiness petitions.

The states comprising each region are:
New England - ME, VT, NH, MA, CT, RI
Mid Atlantic - NY, PA, NJ
East North Central - OH, IN, MI, IL, WI
West South Central - MO, IA, MN, KS, NB, SD, ND
South Atlantic - DE, DC, MD, WV, VA, NC, SC, GA, FL
East South Central - KY, TN, AL, MS
West South Central - AR, LA, OK, TX
Mountain - NM, AZ, CO, UT, NV, WY, ID, MT
Pacific - HI, AK, CA, OR, WA

CHART 25. NEW ENGLAND REGION -- NUMBER OF BANKRUPTCY FILINGS (July 1 - June 30)

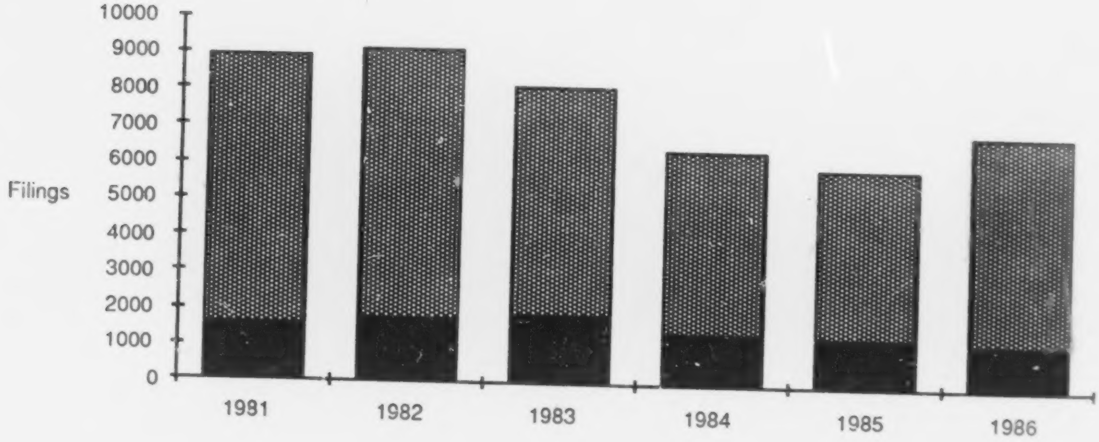


CHART 26. NEW ENGLAND REGION -- ANNUAL PERCENTAGE CHANGE IN BANKRUPTCY FILINGS

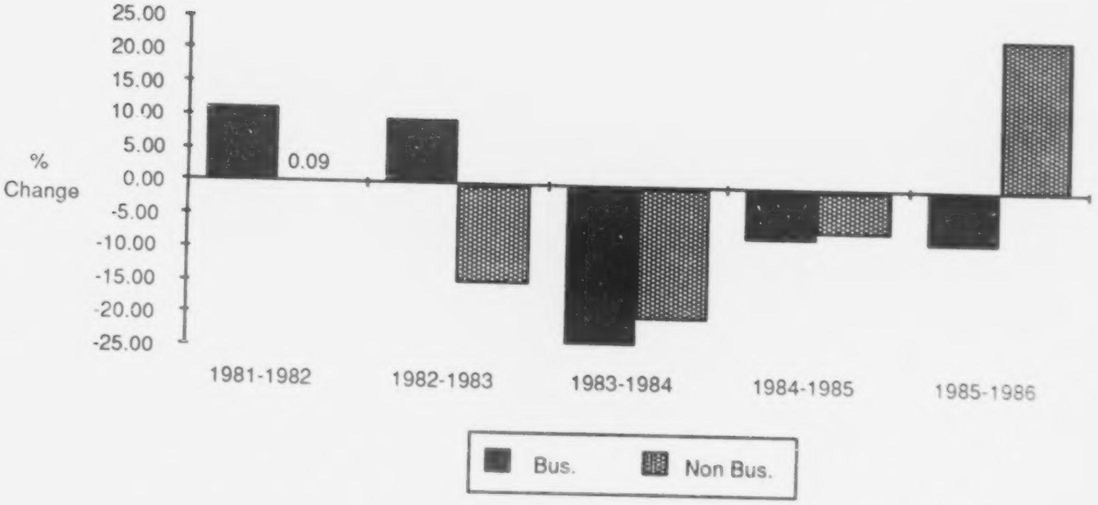


CHART 27. MIDDLE ATLANTIC REGION -- NUMBER OF BANKRUPTCY FILINGS (July 1 - June 30)

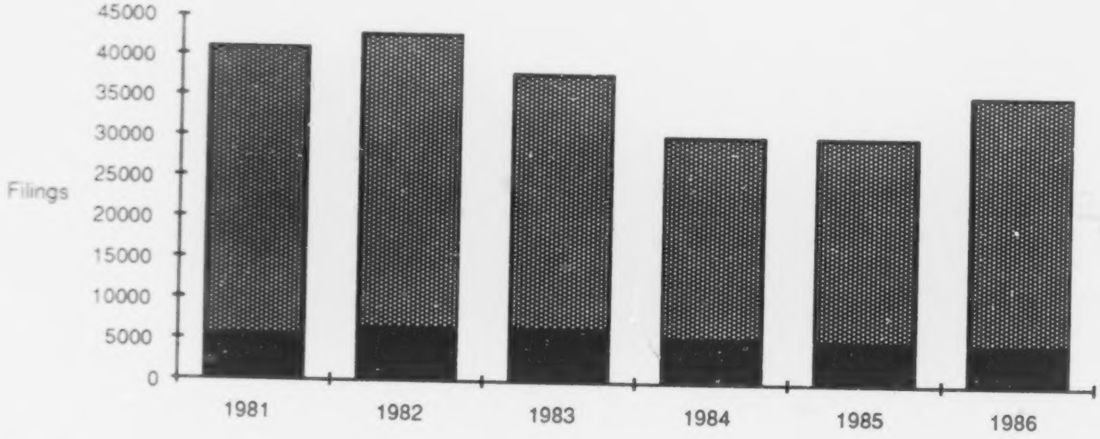


CHART 28. MIDDLE ATLANTIC REGION -- ANNUAL PERCENTAGE CHANGE IN BANKRUPTCY FILINGS

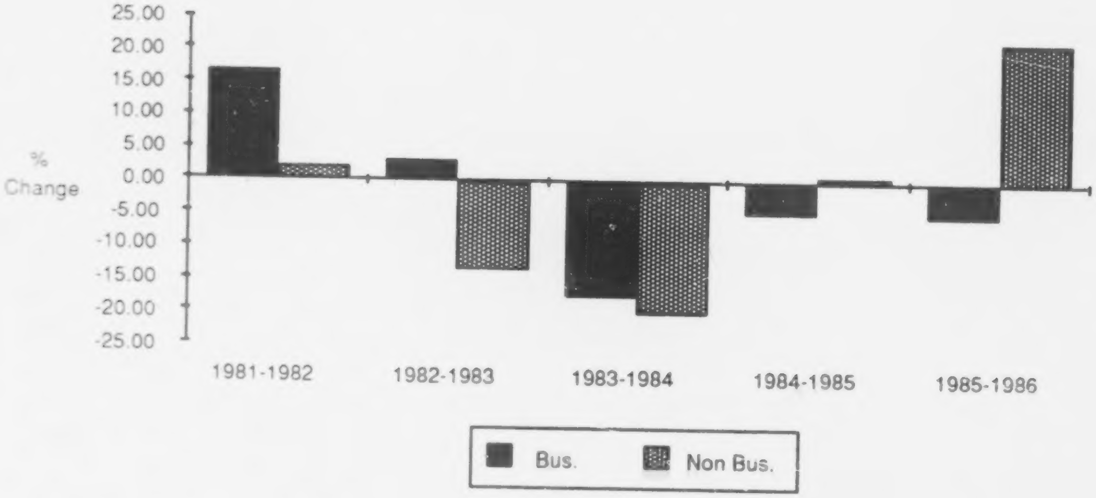


CHART 29. EAST NORTH CENTRAL REGION -- NUMBER OF BANKRUPTCY FILINGS (July 1 - June 30)

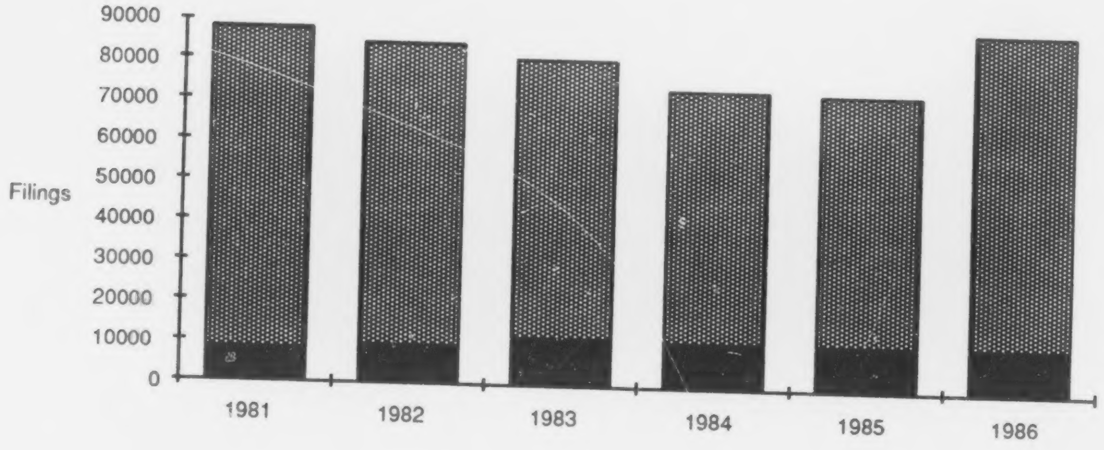


CHART 30. EAST NORTH CENTRAL REGION -- ANNUAL PERCENTAGE CHANGE IN BANKRUPTCY FILINGS

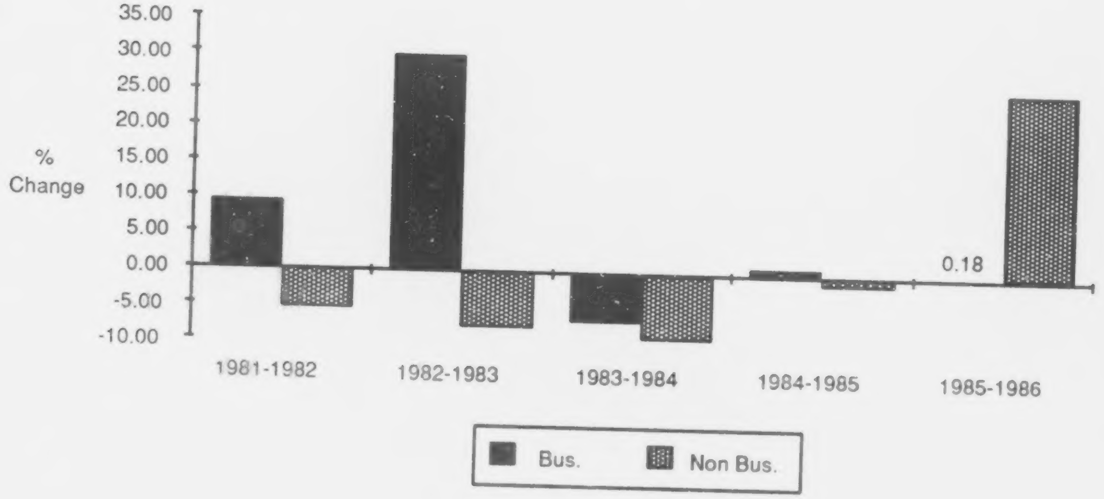


CHART 31. WEST NORTH CENTRAL REGION -- NUMBER OF BANKRUPTCY FILINGS (July 1 - June 30)

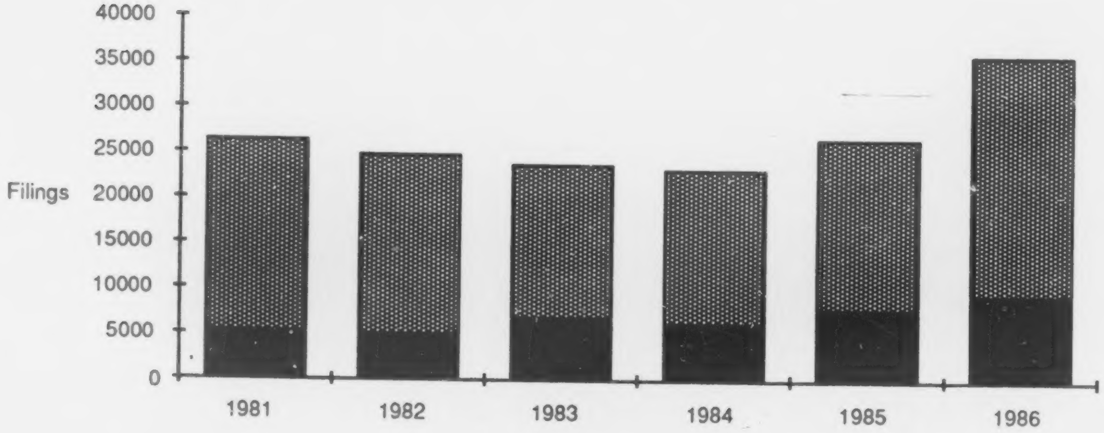


CHART 32. WEST NORTH CENTRAL REGION -- ANNUAL PERCENTAGE CHANGE IN BANKRUPTCY FILINGS

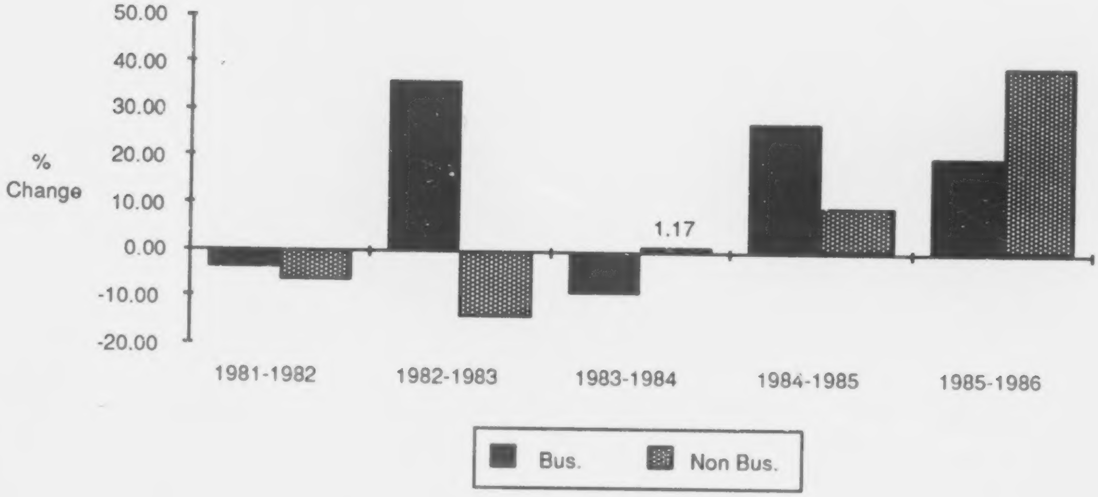


CHART 33. SOUTH ATLANTIC REGION -- NUMBER OF BANKRUPTCY FILINGS (July 1 - June 30)

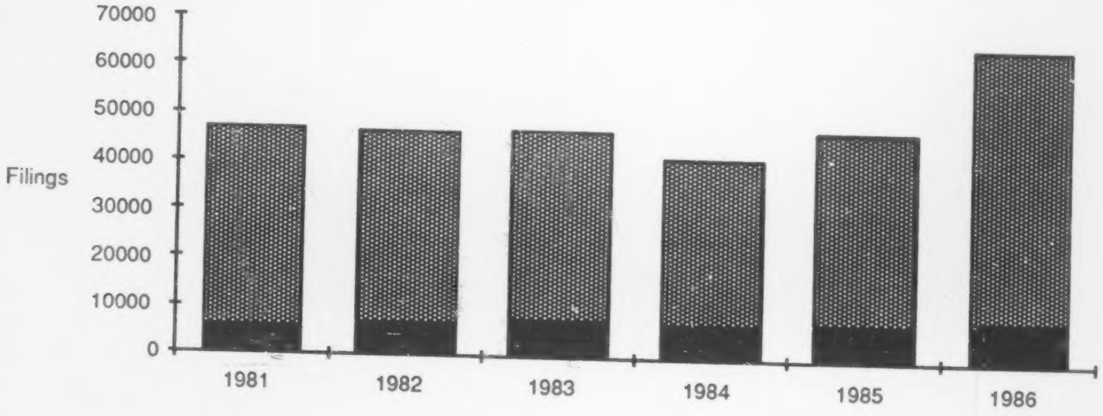


CHART 34. SOUTH ATLANTIC REGION -- ANNUAL PERCENTAGE CHANGE IN BANKRUPTCY FILINGS

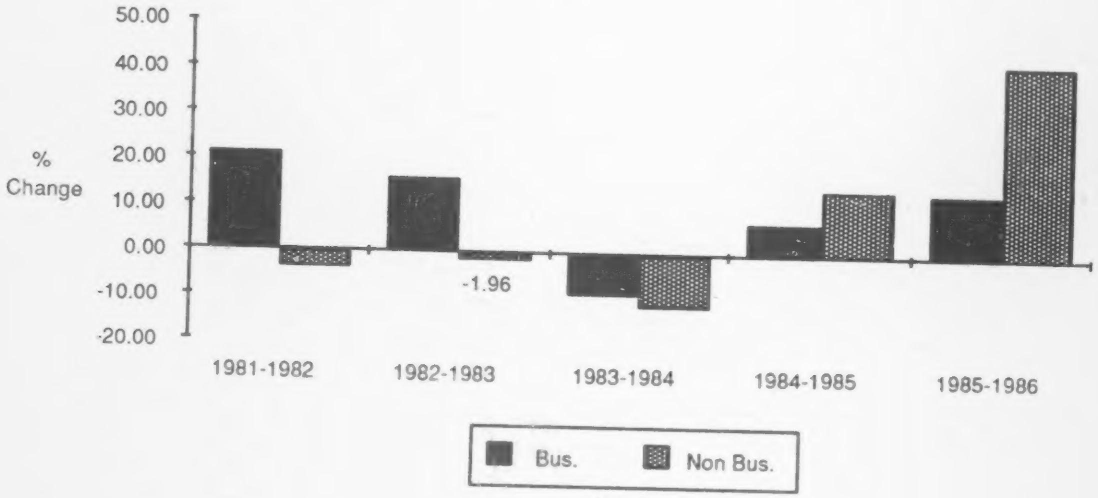


CHART 35. EAST SOUTH CENTRAL REGION -- NUMBER OF BANKRUPTCY FILINGS (July 1 - June 30)

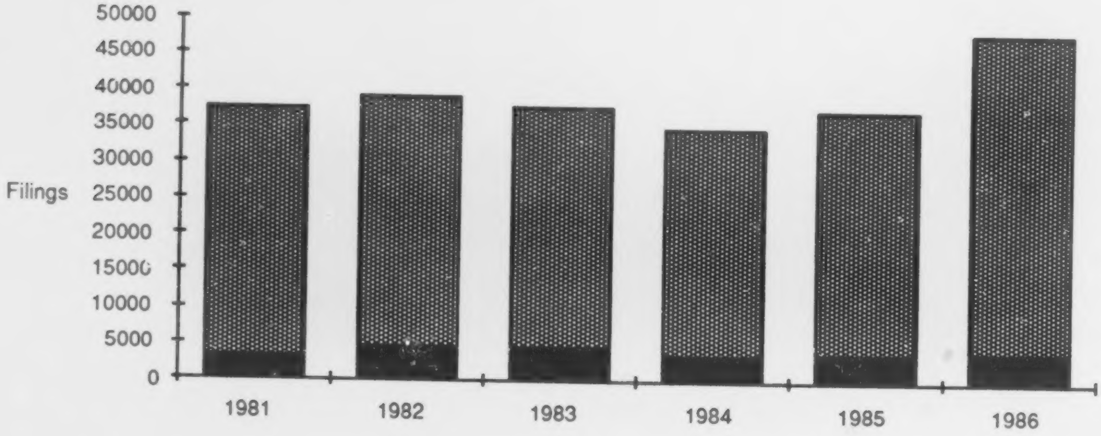


CHART 36. EAST SOUTH CENTRAL REGION -- ANNUAL PERCENTAGE CHANGE IN BANKRUPTCY FILINGS

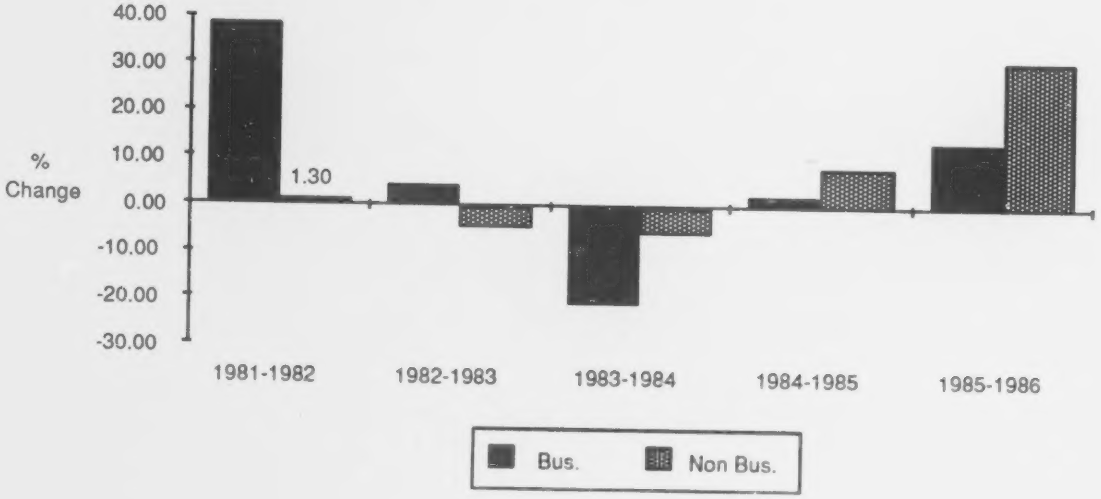


CHART 37. WEST SOUTH CENTRAL REGION -- NUMBER OF BANKRUPTCY FILINGS (July 1 - June 30)

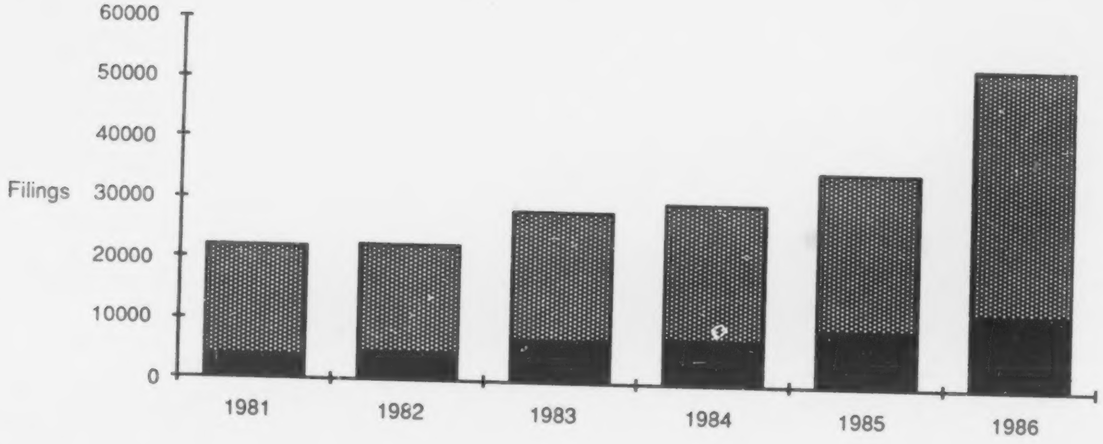


CHART 38. WEST SOUTH CENTRAL REGION -- ANNUAL PERCENTAGE CHANGE IN BANKRUPTCY FILINGS

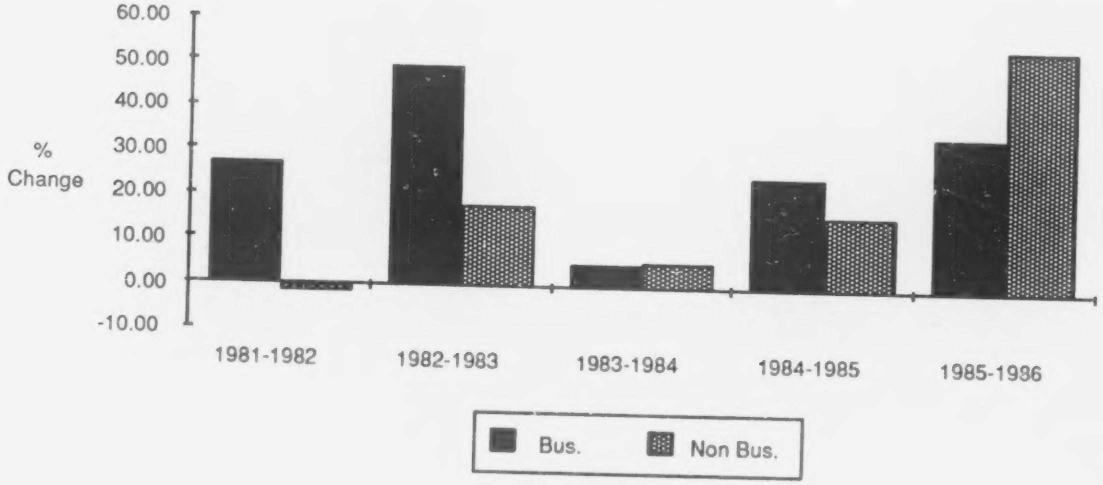


CHART 39. MOUNTAIN REGION -- NUMBER OF BANKRUPTCY FILINGS (July 1 - June 30)

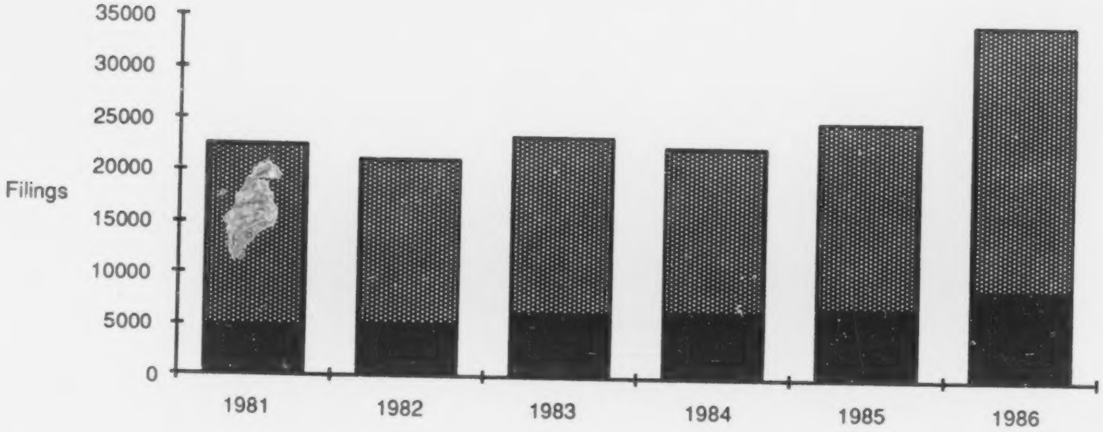


CHART 40. MOUNTAIN REGION -- ANNUAL PERCENTAGE CHANGE IN BANKRUPTCY FILINGS

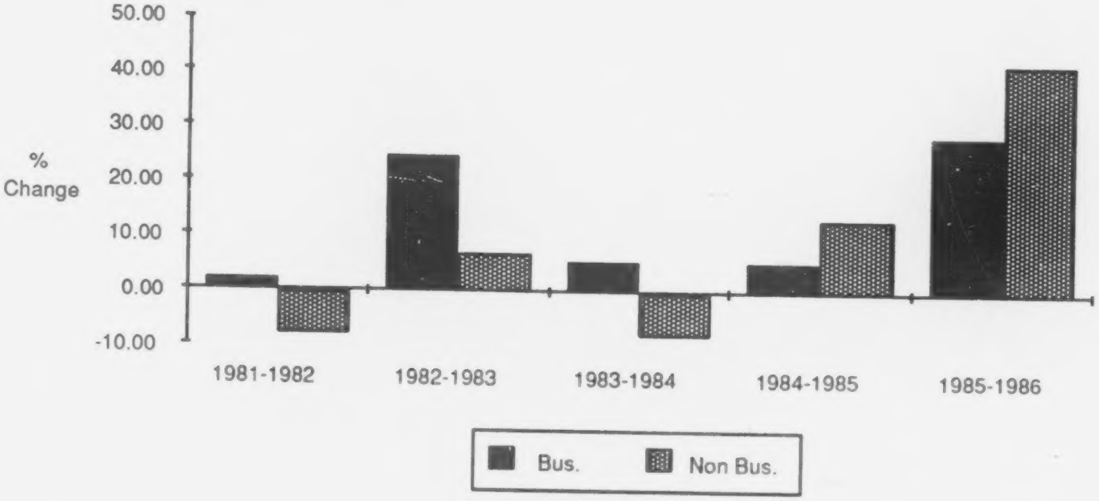


CHART 41. PACIFIC REGION -- NUMBER OF BANKRUPTCY FILINGS (July 1 - June 30)

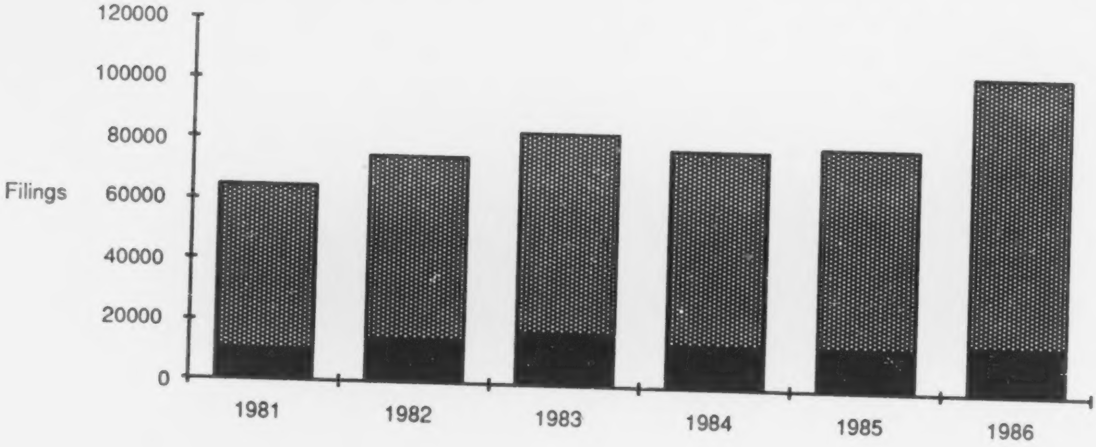


CHART 42. PACIFIC REGION -- ANNUAL PERCENTAGE CHANGE IN BANKRUPTCY FILINGS

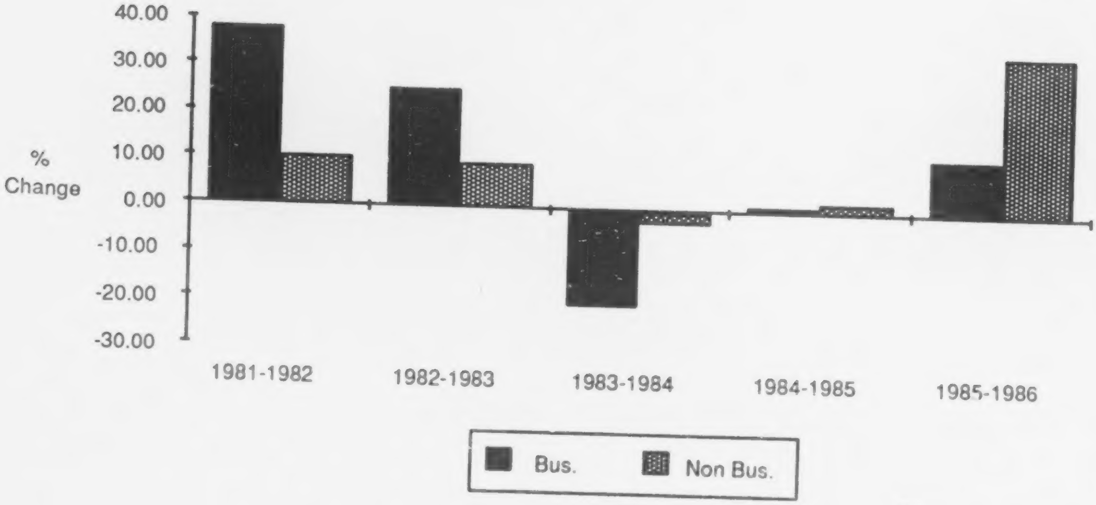


CHART 43. OVERALL UNITED STATES -- NUMBER OF BANKRUPTCY FILINGS (July 1 - June 30)

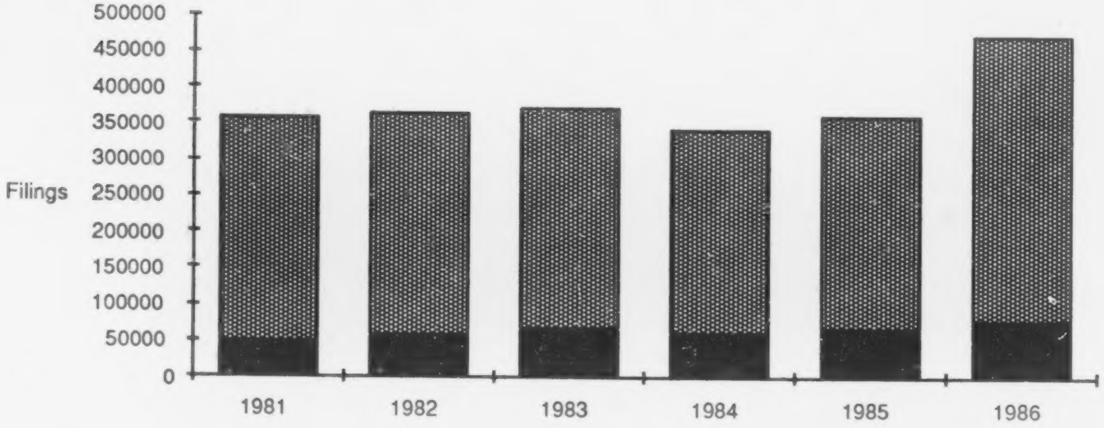


CHART 44. OVERALL UNITED STATES -- ANNUAL PERCENTAGE CHANGE IN BANKRUPTCY FILINGS

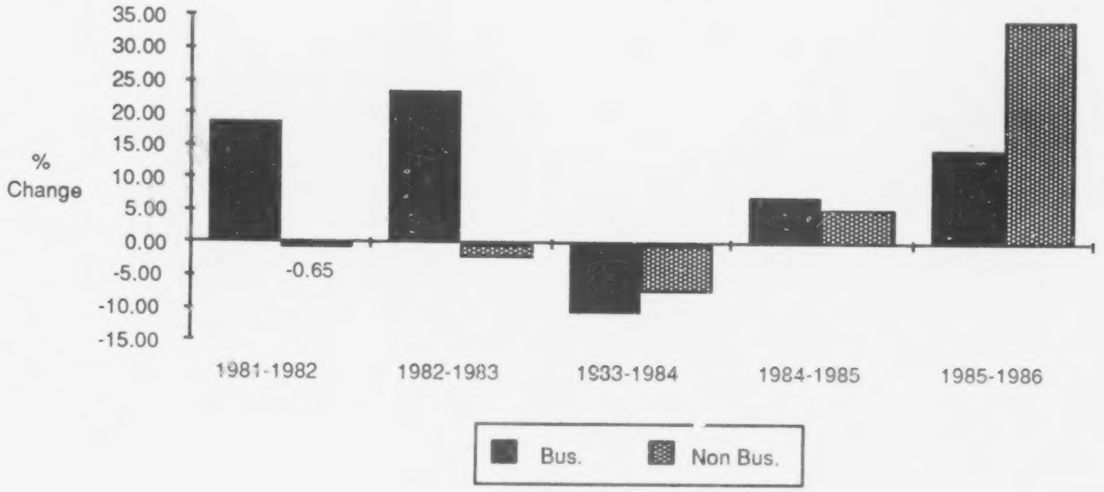


CHART 45. CALIFORNIA -- NUMBER OF BANKRUPTCY FILINGS (July 1 - June 30)

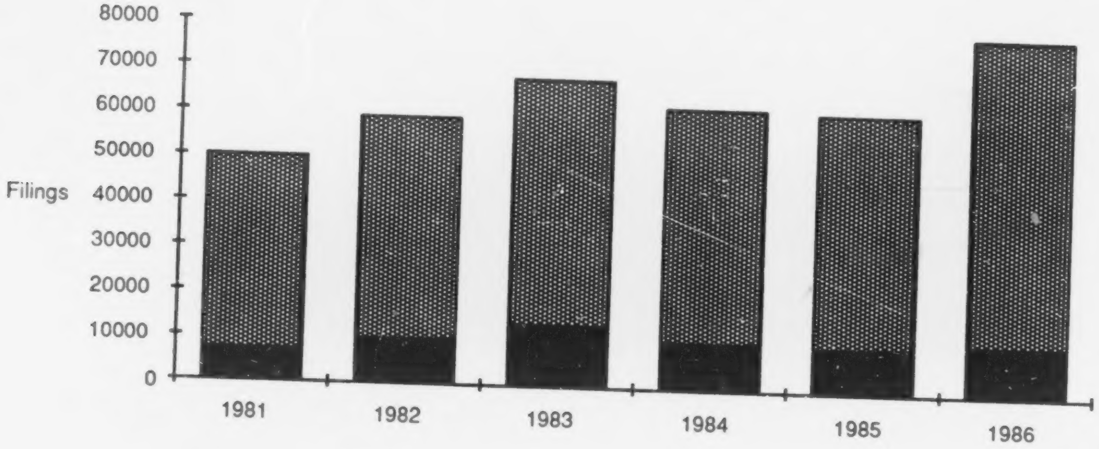


CHART 46. CALIFORNIA -- ANNUAL PERCENTAGE CHANGE IN BANKRUPTCY FILINGS

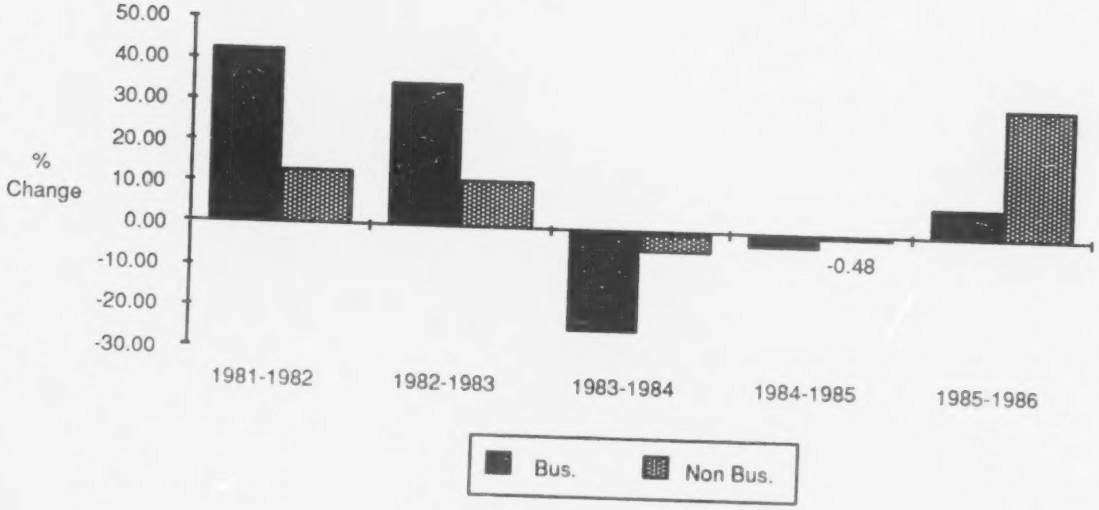


CHART 47. FLORIDA -- NUMBER OF BANKRUPTCY FILINGS (July 1 - June 30)

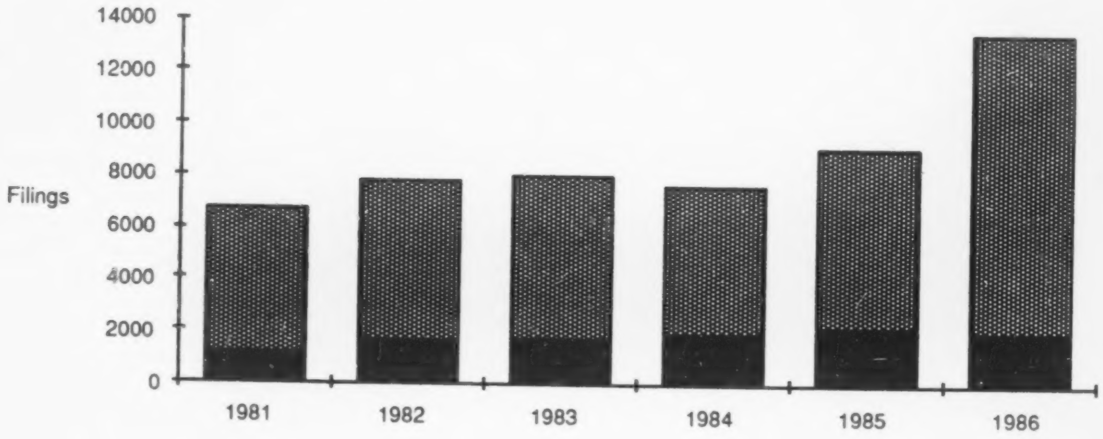


CHART 48. FLORIDA -- ANNUAL PERCENTAGE CHANGE IN BANKRUPTCY FILINGS

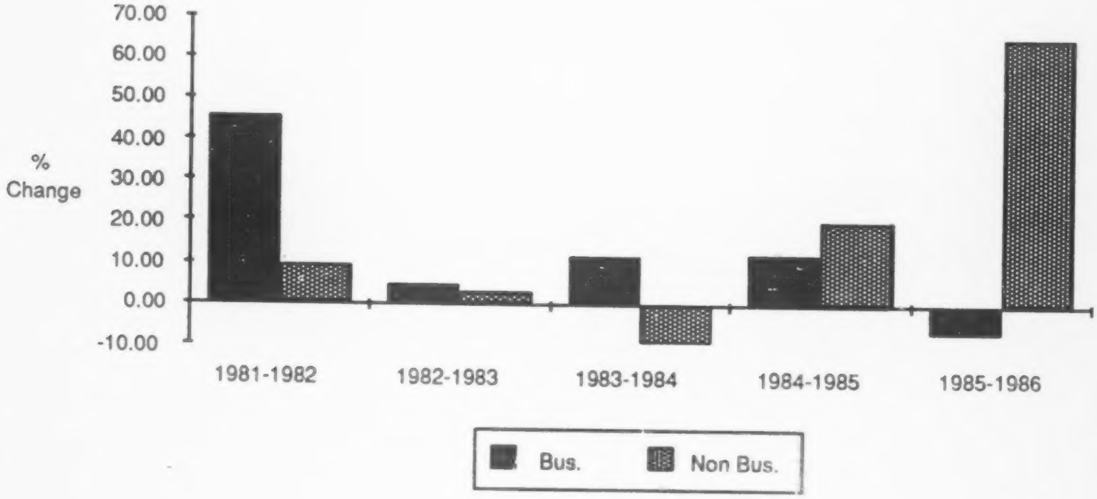


CHART 49. ILLINOIS -- NUMBER OF BANKRUPTCY FILINGS (July 1 - June 30)

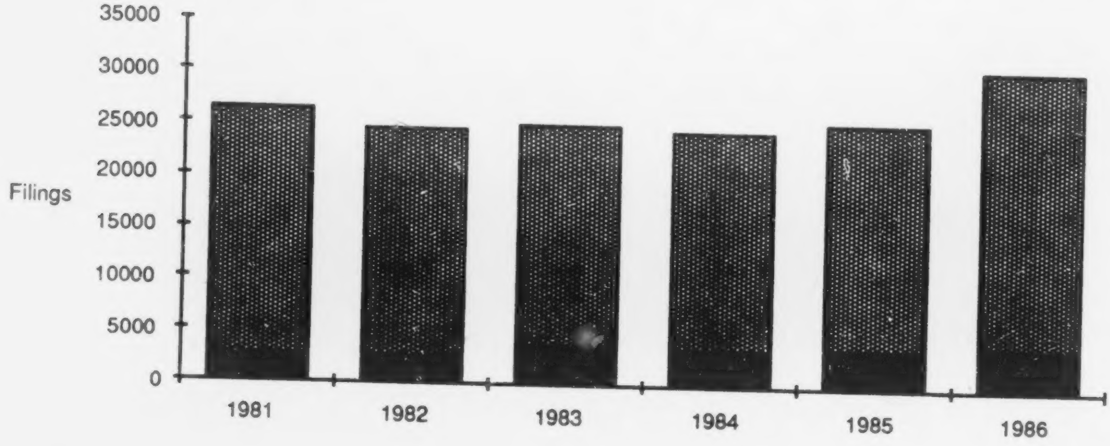


CHART 50. ILLINOIS -- ANNUAL PERCENTAGE CHANGE IN BANKRUPTCY FILINGS

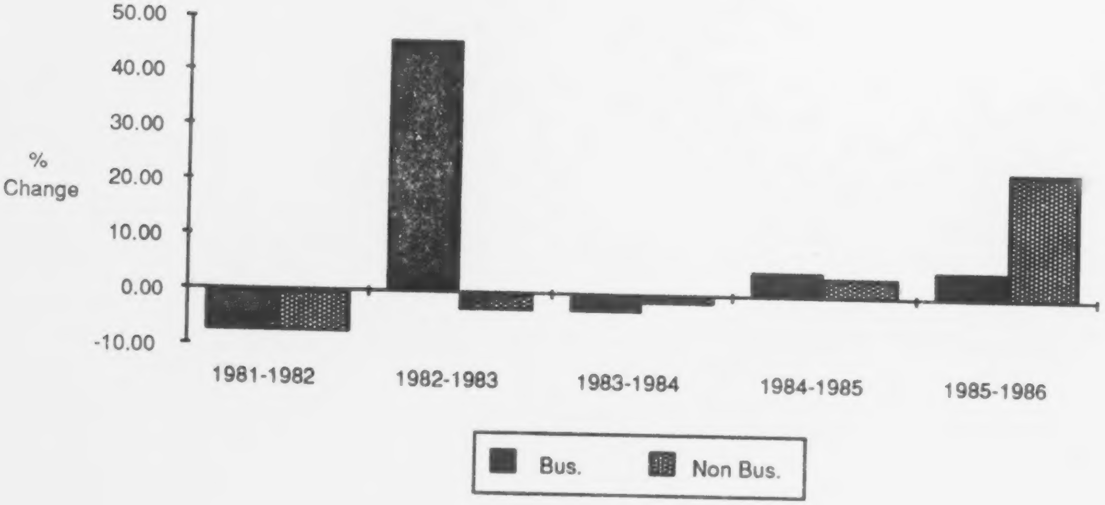


CHART 51. NEW YORK -- NUMBER OF BANKRUPTCY FILINGS (July 1 - June 30)

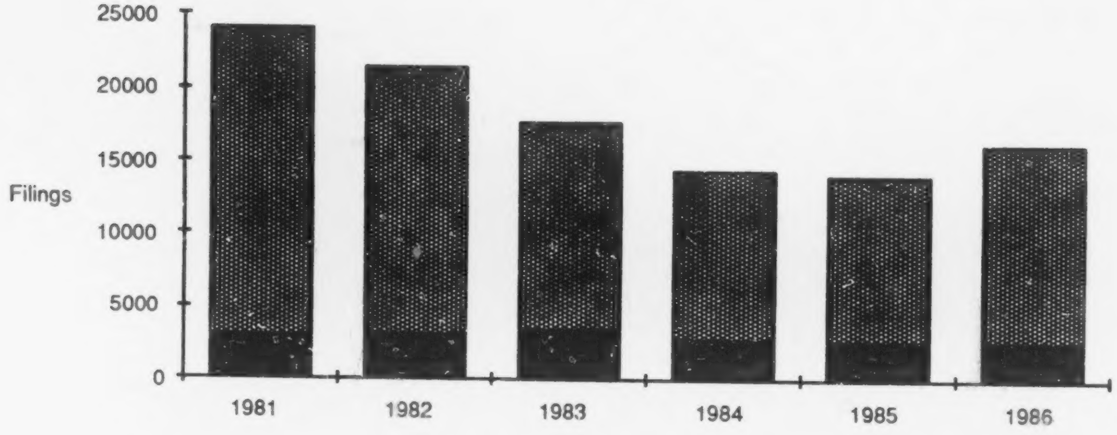
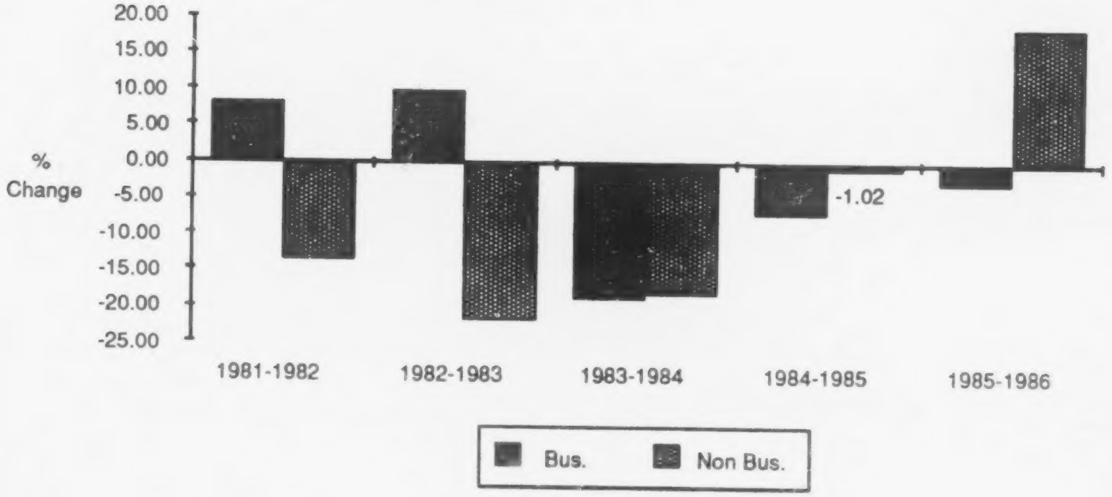


CHART 52. NEW YORK -- ANNUAL PERCENTAGE CHANGE IN BANKRUPTCY FILINGS



II. Additional Credit Card Data

A. Use of Revolving Credit

Revolving credit grew from 8.7 percent of total consumer installment credit outstanding in 1975 to 21.5 percent in 1986. From 1977 to 1986, commercial banks' share of revolving credit outstanding grew from 47.9 percent to 63.5 percent (Table 22).

The statistics provided in Tables 23 through 30 show patterns in bank card saturation by state, the number of general purpose cards outstanding in 1986, the ten largest issuers of bank cards, state regulations of credit card rates, and economic characteristics of retail credit.

B. Cost Analysis of Credit Card Function at Commercial Banks

The profitability of the credit card function at a commercial bank is determined by the way consumers use their cards (revolver versus nonrevolver) and by cost control at the lender. The data in Chart 53 show the trend in the portion of total accounts that were active accounts for medium and large size commercial banks between 1975 and 1985. Perhaps because of the effects of an annual fee on peoples' decision to get a bank credit card, the proportion of accounts that was active increased for medium and large sized card-issuing banks during the period. As the sample of banks participating in the Functional Cost Studies varies from year to year, some of the time series variation in the data is due to sampling differences from year to year. However, the trend in active accounts is clearly an increasing one.

There is less clear evidence that cardholders were more likely to use their cards for credit versus convenience in 1985 versus 1975 (Chart 54). The proportion of active accounts paying interest at large banks was slightly higher in 1985 versus 1975. As large banks relaxed credit standards to increase the size of their portfolios it is logical that they picked up more cardholders who wanted the credit feature of the card. Medium size banks, with more conservative credit policies, had no real growth over the period in terms of the proportion of their active accounts that were paying interest. These disparities in the patterns of card usage of medium and large bank customers bases probably explain much of the differences in profitability of credit cards for medium and large size card issuing banks.

Cost Control. Card issuers also differ in terms of cost control and the make-up of the total cost of their credit card programs. Operating costs are the principal component of the total cost of credit cards (Charts 55 and 56). And operating costs as a percent of credit card outstandings was generally higher for smaller banks than larger banks. Credit losses as a percent of outstandings were relatively constant between 1975 and 1985 for both size categories of card issuing banks.

III. Additional Auto Finance Data

Credit extended for the purchase of an automobile for private use represented between 35 percent and 40 percent of consumer credit outstanding between 1975 and 1985 Commercial banks have issued the bulk of auto credit, either directly to the consumer or indirectly by purchasing contracts from auto dealers. Between 1975 and 1985, the growth in auto credit outstanding was influenced heavily by the activities of finance company subsidiaries of domestic auto manufacturers (Chart 57).

Programs to increase the affordability of auto credit were used broadly by auto finance companies between 1975 and 1986 to maintain growth in auto sales. Such programs included lengthening maturities for auto loans (Chart 58) and special incentive rate programs (Tables 36 and 37).

It is interesting to note that maturities for auto loans from auto finance companies increased steadily between 1975 and 1986. The apparent objective of lengthening maturities of auto loans is to reduce the level of monthly payments and increase the affordability of buying an auto on credit. However, as maturities increase the reduction in size of monthly payment becomes progressively less. A shift in loan maturity from 36 months to 48 months maturities reduces the monthly payment by 20.5 percent, holding the

CHART 53. ACTIVE ACCOUNTS AS A PERCENT OF TOTAL ACCOUNTS

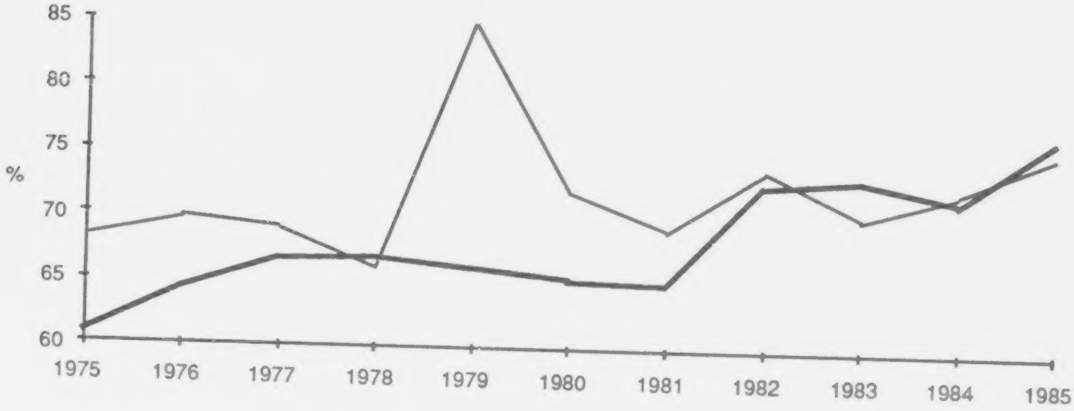
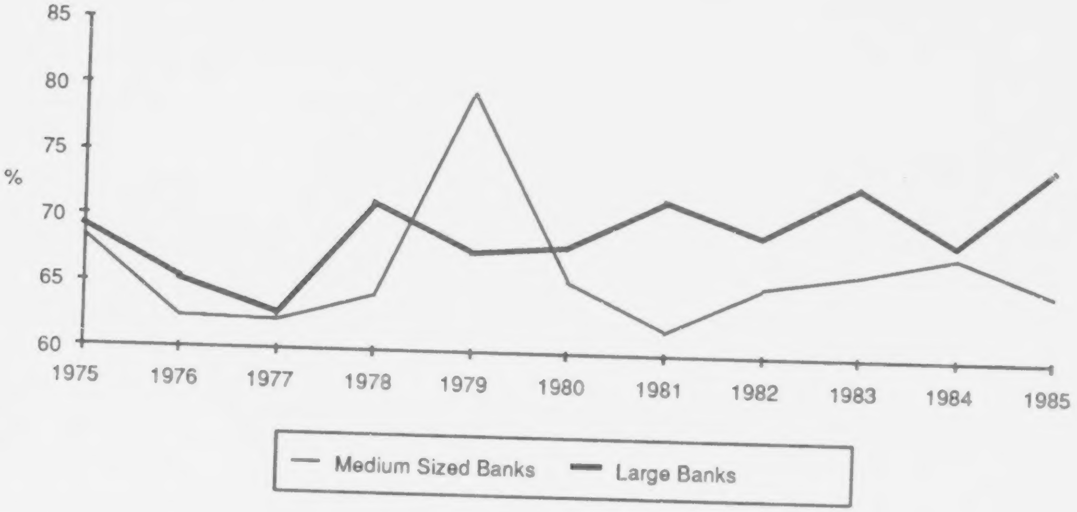


CHART 54. ACTIVE ACCOUNTS PAYING INTEREST AS A PERCENT OF ACTIVE ACCOUNTS



Data for Charts 53 and 54 shown in Table 31.

CHART 55. CUMULATIVE EXPENSES AND INCOME AS A PERCENT OF CREDIT CARD OUTSTANDINGS
(Card Banks with Deposits of $50 - 200 Million)

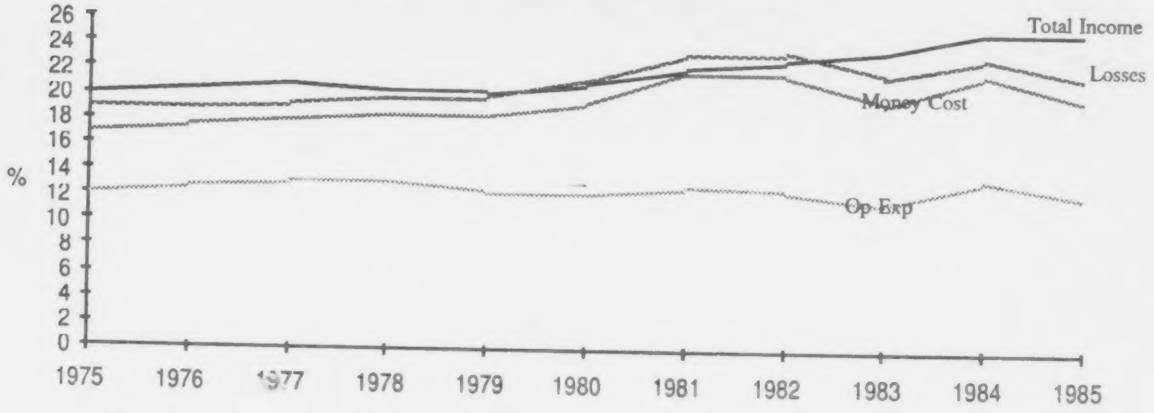
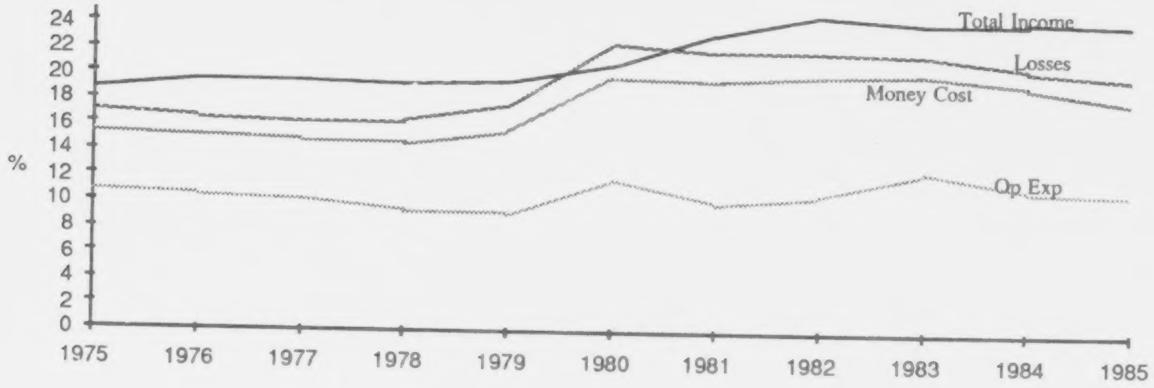
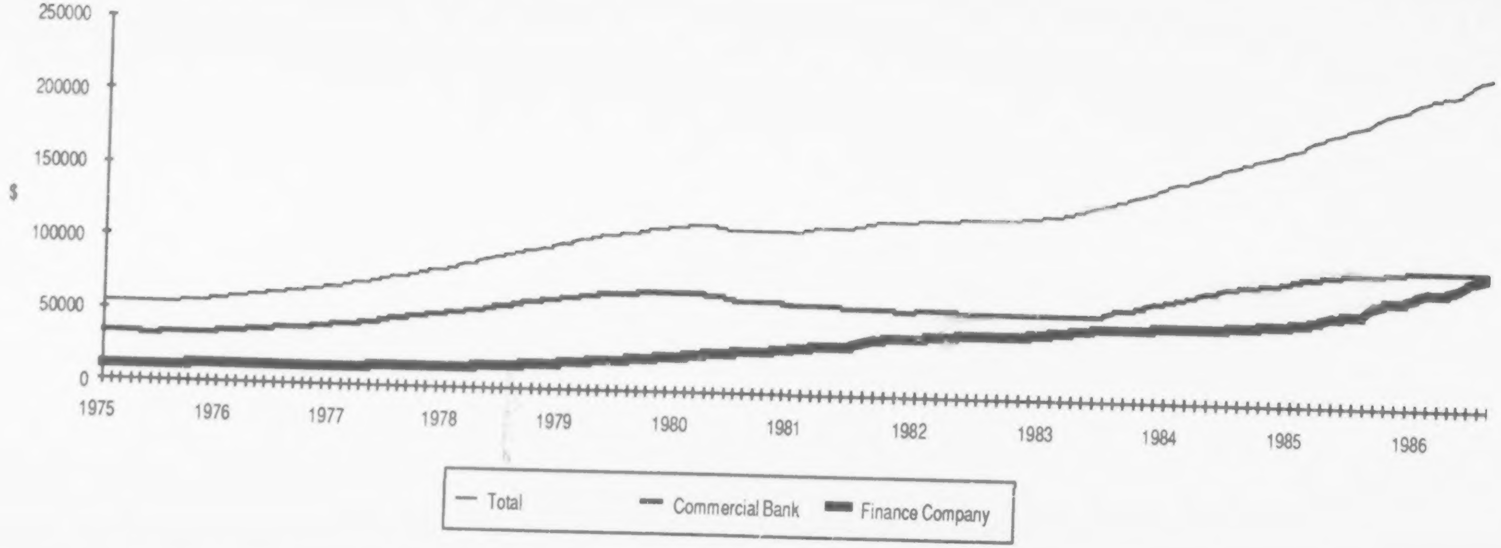


CHART 56. CUMULATIVE EXPENSES AND INCOME AS A PERCENT OF CREDIT CARD OUTSTANDINGS
(Card Banks with Deposits over $200 Million)



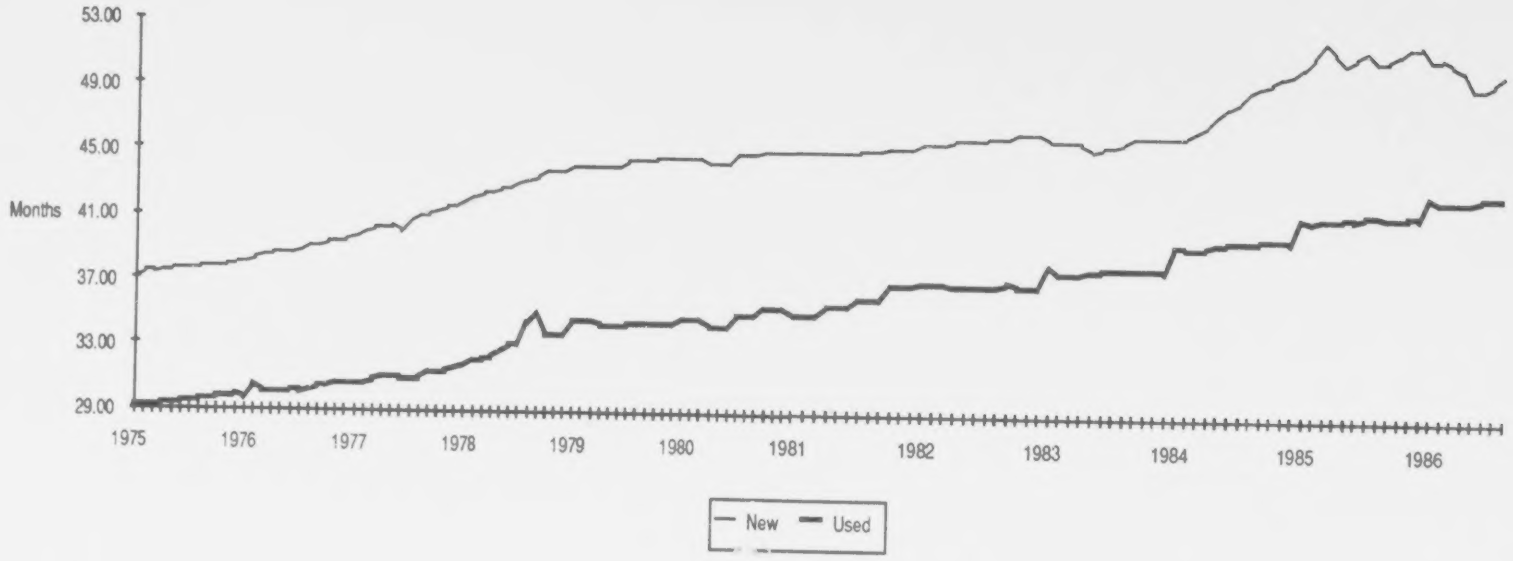
Charts 55 and 56 derived from data in Tables 32 and 33.

CHART 57. TOTAL OUTSTANDING AUTOMOBILE CREDIT AND BY HOLDER
(Millions of Dollars, seasonally adjusted)



Data for Chart 57 shown in Table 34.

CHART 58. AVERAGE MATURITY OF AUTO LOANS AT FINANCE COMPANIES



Data for Chart 58 shown in Table 35.

interest rate constant. A shift from 48 months to 60 months brings a further reduction in monthly payments of only 15.3 percent. However, as auto loan rates were generally falling between 1982 and 1986 (Chart 12) while maturities for new auto loans were increasing from 46.4 months to 50.4 months, consumers were realizing significant reductions in their monthly payments for new auto loans.

IV. Household Financial Condition

A. Measures of Household Leverage

The level of the household debt burden (Chart 59) of consumer credit outstanding as a percent of disposable income has been generally used as an indicator of households' ability to service consumer debt. The level of the ratio has been found to be positively associated with the incidence of personal bankruptcy as well as the rate of delinquency for consumer loans. The sharp increase in the level of the household debt burden measure since 1983 has therefore sent up red flags for the credit industry. Many argued that a false signal was sounded because of the changes in credit markets associated with 1) lengthening maturities of auto loans 2) increased use of credit cards for convenience purposes and 3) the high liquidity of the household sector. Other measures of the ability of households to service debt are shown in Charts 60 through 62.

In response to high rates of inflation in the 1960s and 70s, all but the wealthiest households found it advantageous to save by substituting investments in housing and real estate in lieu of traditional financial vehicles .[14] The effect of the shift from financial assets to real assets held by U.S. households is clear in the bootom line in Chart 60 and in Chart 61. The ratio of financial assets to financial liabilities fell steadilty between 1967 and 1974 from about 350 percent to about 225 percent. The aggregate ratio of financial assets to financial liabilities has remained virtually unchanged until 1986 when low interest rates increased the value of total financial assets relative to financial liabilities (not shown on chart).

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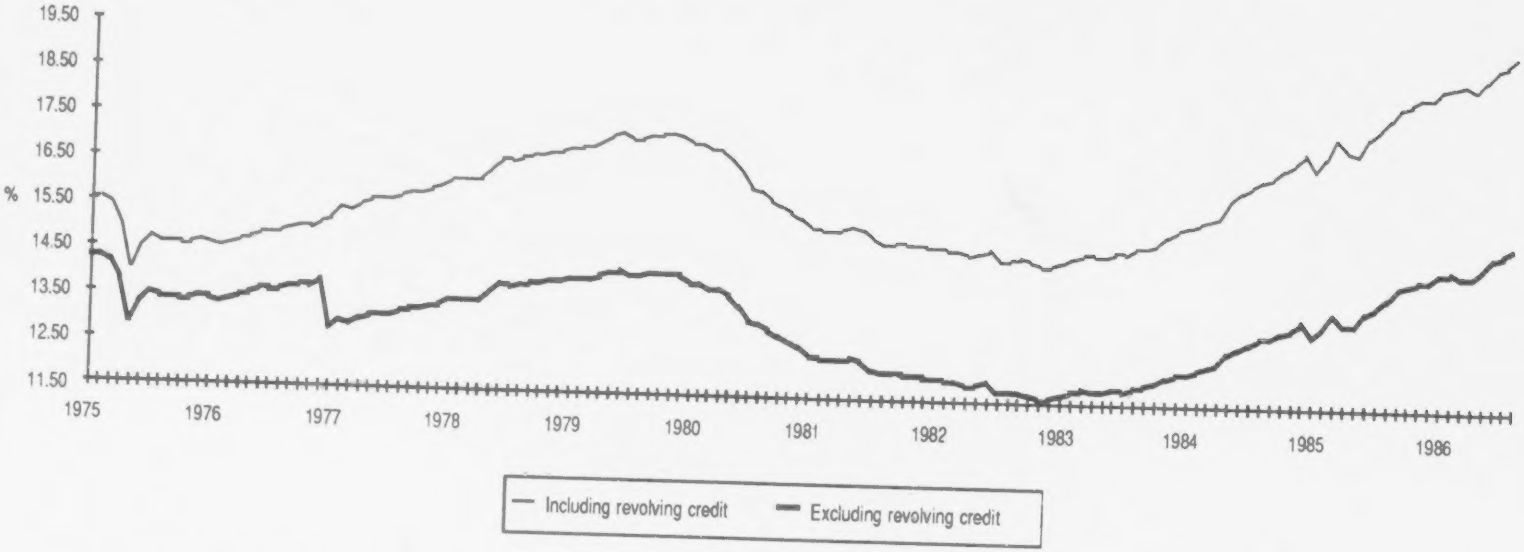
[14] Edward Kane, "Accelerating Inflation and the Distribution of Household Savings Incentives," Working Paper No.30 (Credit Research Center, Purdue University),1979.

The ratio of aggregate liquid assets to consumer installment credit represents a "quick ratio" for the household sector, an indicator of the extent to which short term debts could be repaid out of assets which could be converted easily to cash (Chart 60). Between 1962 and 1974, the aggregate realtionship between liquid assets and consumer credit in the household sector was stedy at about 450 percent. Then between 1979 and 1982 the measure spiked to 550 percent.

In 1983 households were holding more liquid assets relative to consumer debts than normal, as evidenced by the quick ratio. Since 1983 consumers have moved into less liquid assets, searching for higher yields on their savings. They have also saved less, investing more in durables that yielded a higher return than liquid assets. Additionally, maturities of auto loan contracts have increased since 1983, enabling consumers to borrow more while keeping monthly debt service obligations low. Finally, consumers who use credit have increased the amount of consumer debt used as interest rate ceilings were abolished in many states. These forces, in combination, caused the relationship between liquid assets and consumer debts in the aggregate household portfolio to return to a level close to the historical norm by the end of 1985.

CHART 59. HOUSEHOLD DEBT BURDEN (seasonally adjusted)
TOTAL CONSUMER INSTALLMENT CREDIT TO DISPOSABLE INCOME



Data for Chart 59 shown in Table 38.

CHART 60. HOUSEHOLD LEVERAGE -- FINANCIAL ASSETS TO LIABILITIES AND LIQUID ASSETS TO CONSUMER CREDIT

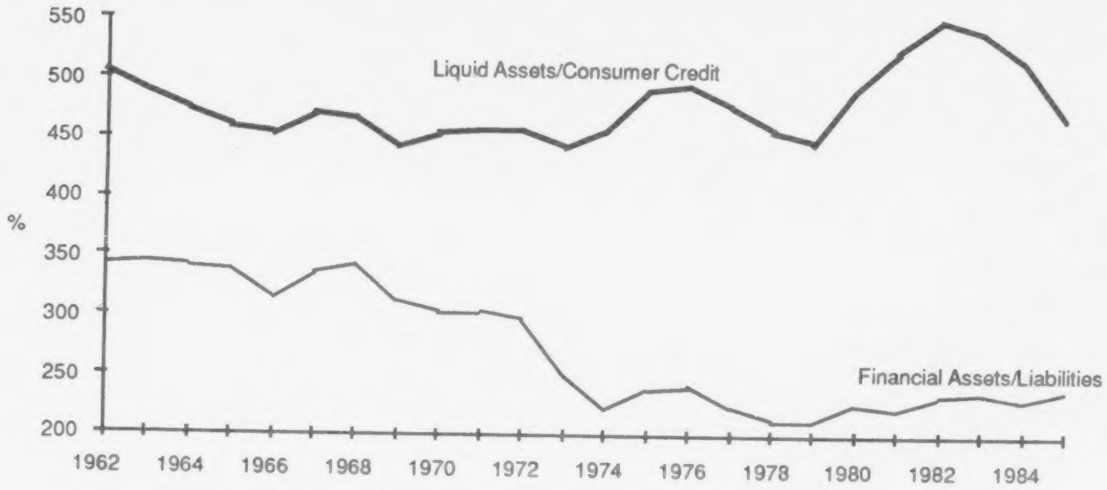
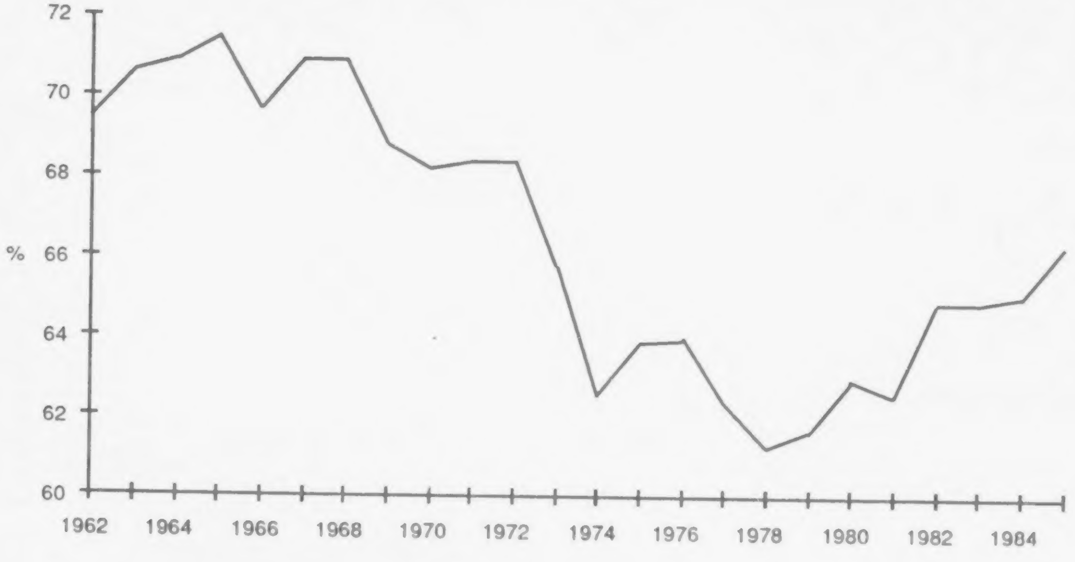
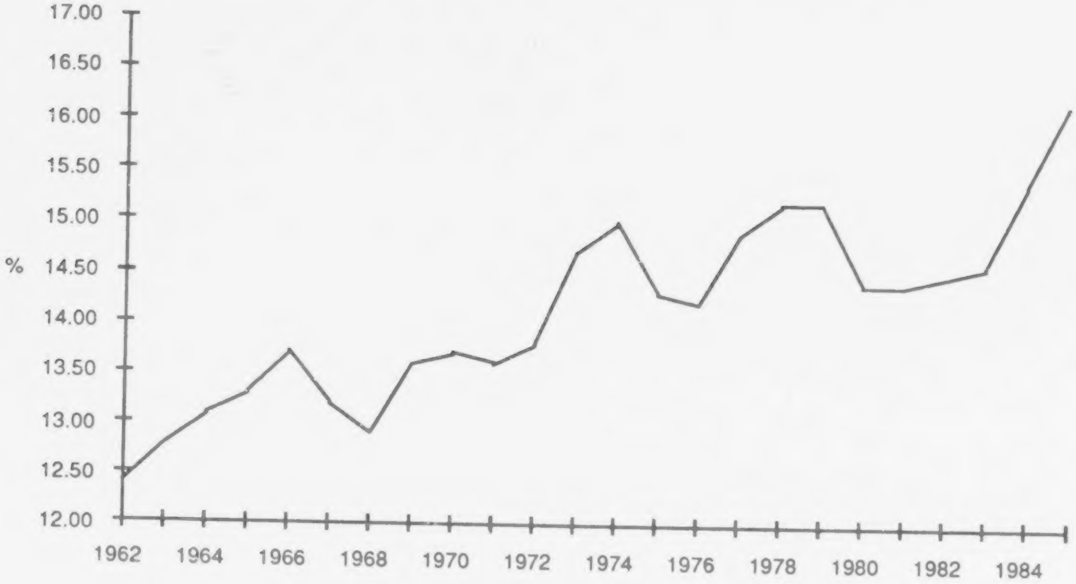


CHART 61. HOUSEHOLD LEVERAGE -- FINANCIAL ASSETS TO TOTAL ASSETS



Data for Charts 60 and 61 shown in Table 39.

CHART 62. HOUSEHOLD LEVERAGE -- TOTAL LIABILITIES TO ASSETS



Data for Chart 62 shown in Table 39.

BALANCE SHEET DATA FOR U.S. HOUSEHOLDS

Charts 63 to 67 are derived from year-end outstandings of assets and liablities of individuals in the U.S. -- reported in the Flow of Funds Accounts of the Federal Reserve System. These data are for households, farm businesses, and nonfarm corporate businesses. The data for Chart 67 are slightly different in that they include the total assets of households, personal trusts, and nonprofit organizations. For each chart, the real dollar values are calculated by dividing the nominal values by the consumer price index (1967 = 100) and multiplying by 100.

CHART 63. NOMINAL vs. REAL OUTSTANDING CONSUMER CREDIT

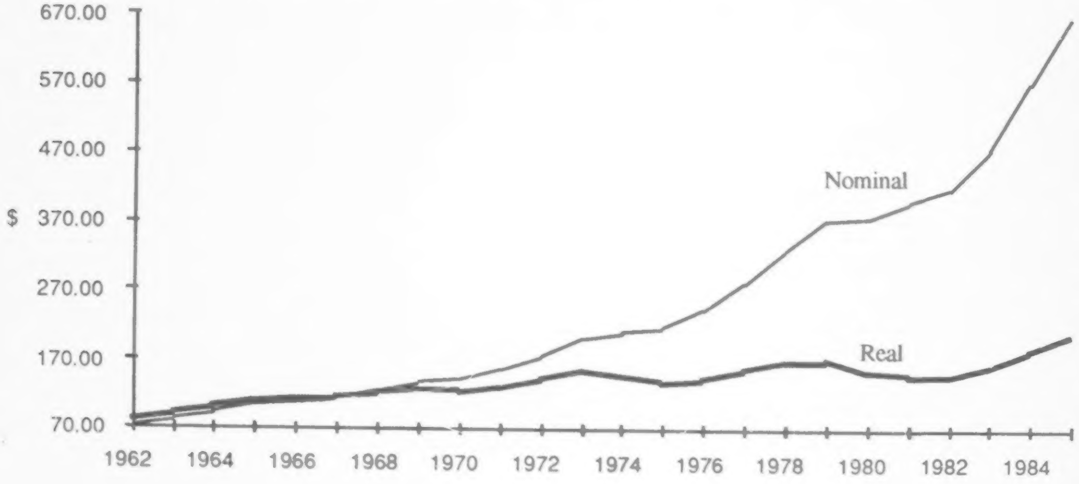


CHART 64. NOMINAL vs. REAL OUTSTANDING MORTGAGE DEBT

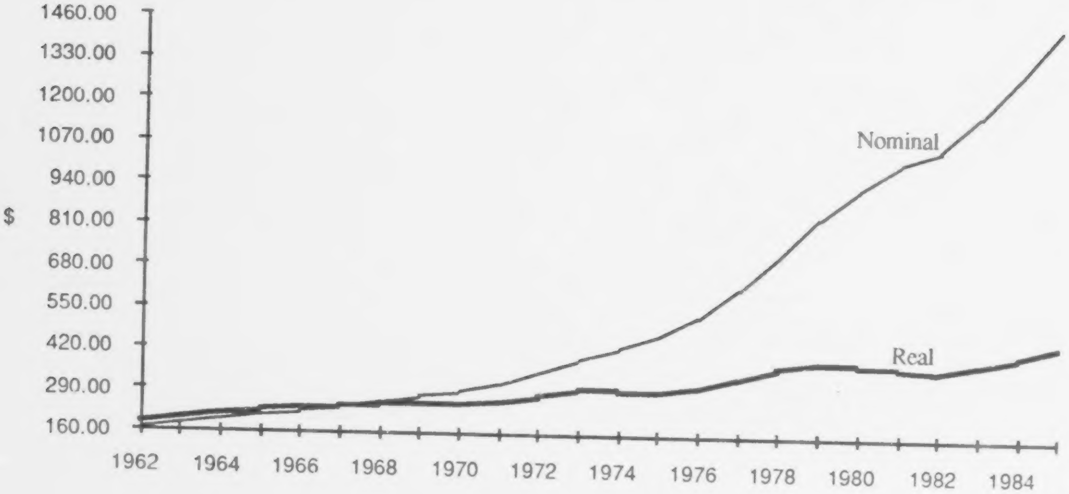


CHART 65. NOMINAL vs. REAL LIQUID ASSET HOLDINGS

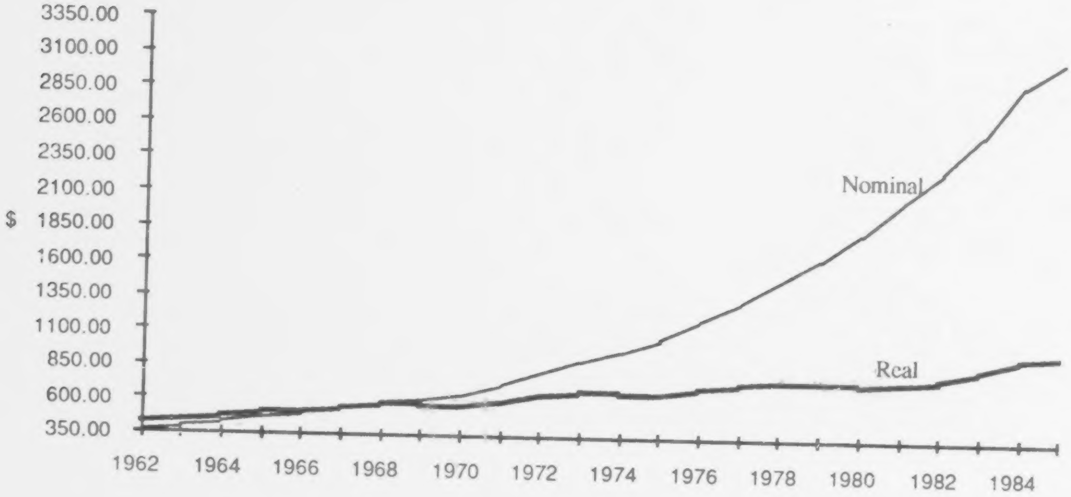


CHART 66. NOMINAL vs. REAL HOLDINGS OF ALL FINANCIAL ASSETS

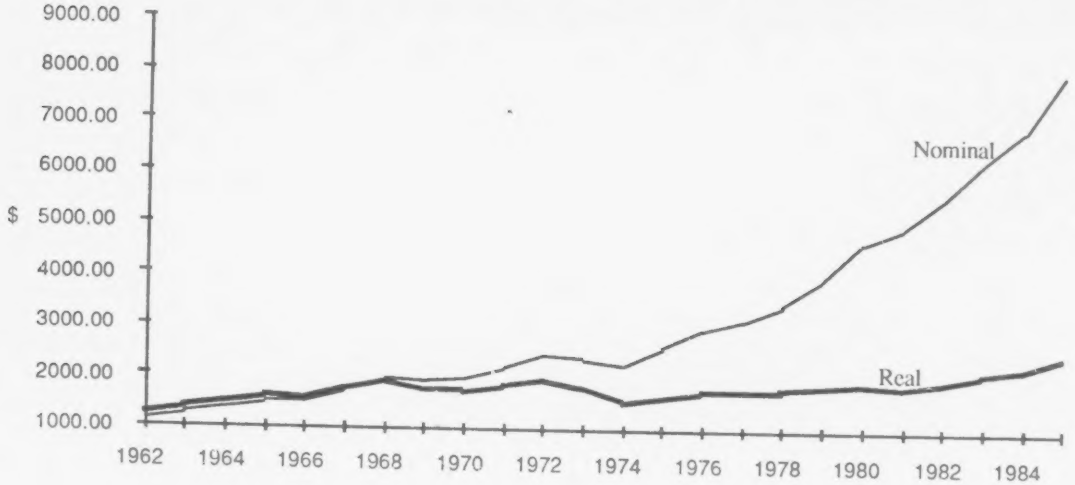
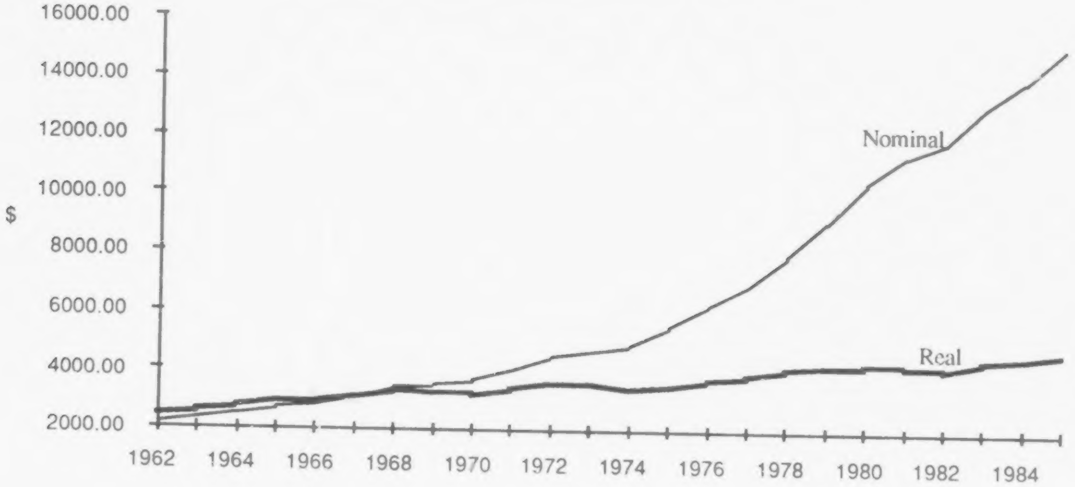


CHART 67. NOMINAL vs. REAL HOLDINGS OF TOTAL ASSETS



Education Debt

In consumer surveys, respondents have listed "financing educational expenses" as either the second or third most appropriate reason for borrowing. On the strength of federal loan programs, borrowing to pay for college has ballooned in the past decade (Chart 68). Between 1975 and 1985 the value of student loans awarded through federal programs increased by 493 percent. During the same period consumer instalment debt outstanding increased by 260 percent (Chart 1).

The three main federal loan programs are Guaranteed Student Loan, National Direct Student Loan and Parent Loan for Undergraduate Students. In 1986, the average indebtedness of an undergraduate student who graduated from a 4-year public institution was $6,685 while that for an undergraduate leaving a 4-year private college was $8,950.[15]

Student debt has multiple potential impacts on consumer credit markets. The major one is that new graduates who take jobs with low salaries may have little unused borrowing capacity for many years after graduation.

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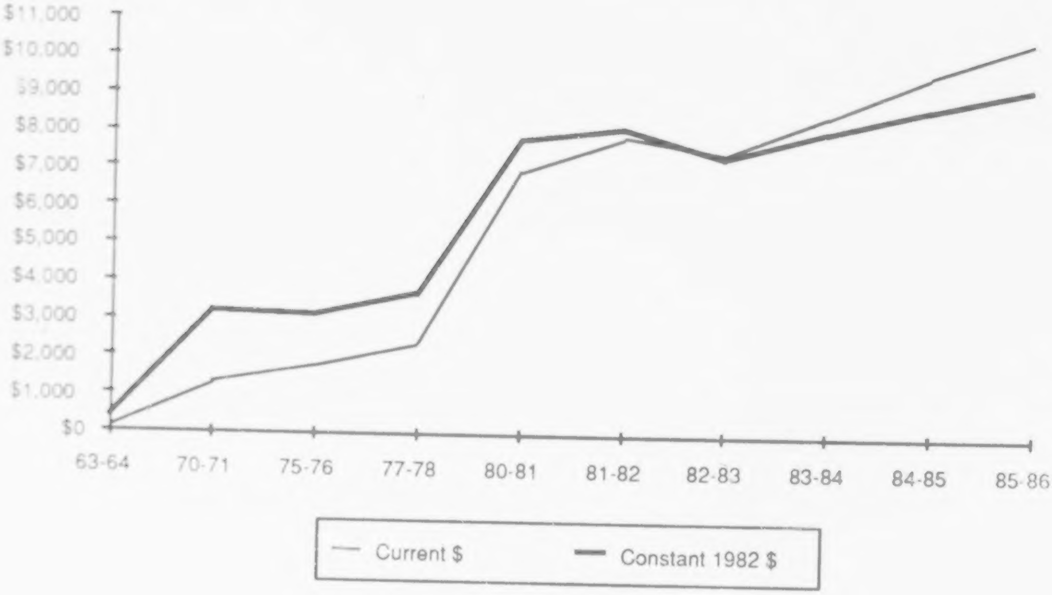
[15] Janet S. Hansen, "Student Loans: Are They Overburdening A Generation," The Washington Office of the College Board, 1987.

CHART 68. VALUE OF STUDENT LOANS AWARDED (Millions)



Data for Chart 68 shown in Table 40.

B. Consumer Sentiment

Given that certain attitudes and expectations are indicative of the level of optimism or pessimism of the individual and the confidence level is predictive of individual behavior, the extent to which the group expresses optimistic or pessimistic expectations can be extrapolated into an expected level of economic behavior for the population represented by the group. In this manner, measures of the psychological environment of the market participants are used to predict macro economic relationships. The Survey Research Center at the University of Michigan measures consumers' economic attitudes and expectations each month and publishes the Consumer Sentiment Index (Chart 69).

An important use of consumer attitude data is for "predicting aggregate trends in consumer expenditures for housing, vechicles, and large household durables, as well as the incurrence of debt and the acquisition of financial assets."[16] In the development of a model of total consumer debt incurrence, Curtin found that the level of consumer sentiment was positively and significantly related to the quarterly net change in household debt as a percent of personal income.

The level of the consumer sentiment index is highly correlated with the annualized growth rate of consumer credit (Chart 70) suggesting that consumers must be optimistic about the future before they would take on large quantities of new consumer debt. The consumer sentiment measure has also been found to be related to the incidence of personal bankruptcy but was not significant in explaining variations over time in deliquency rates for consumer loans.[17]

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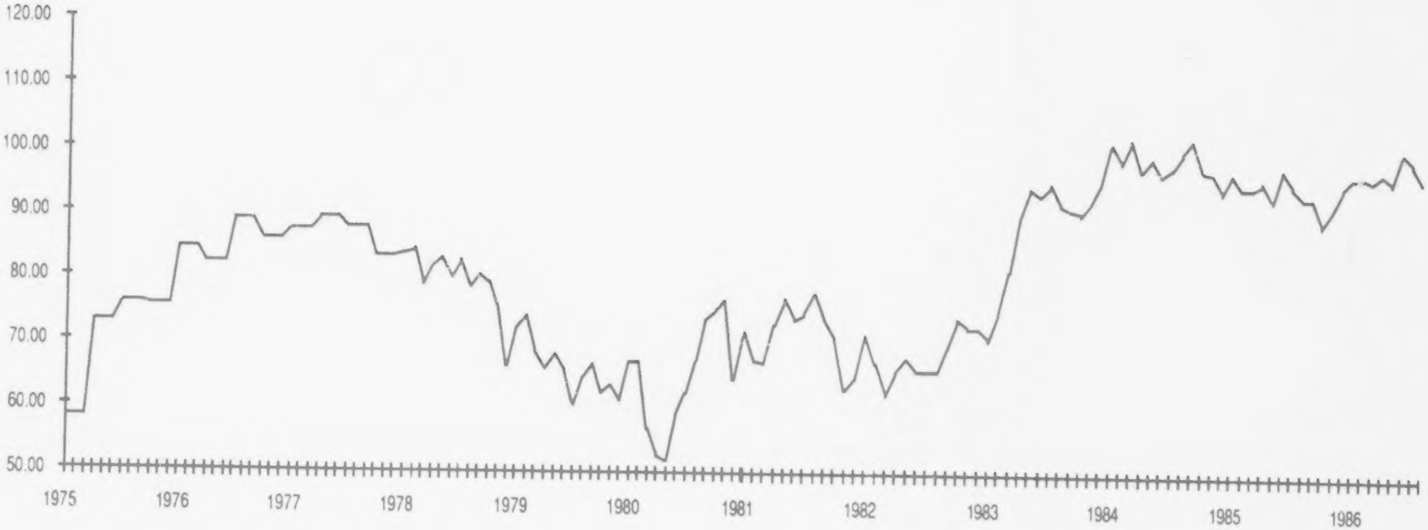
[16] Richard T. Curtin, "Consumer Attitude for Forecasting," Survey Research Center, University of Michigan. (Photocopy)

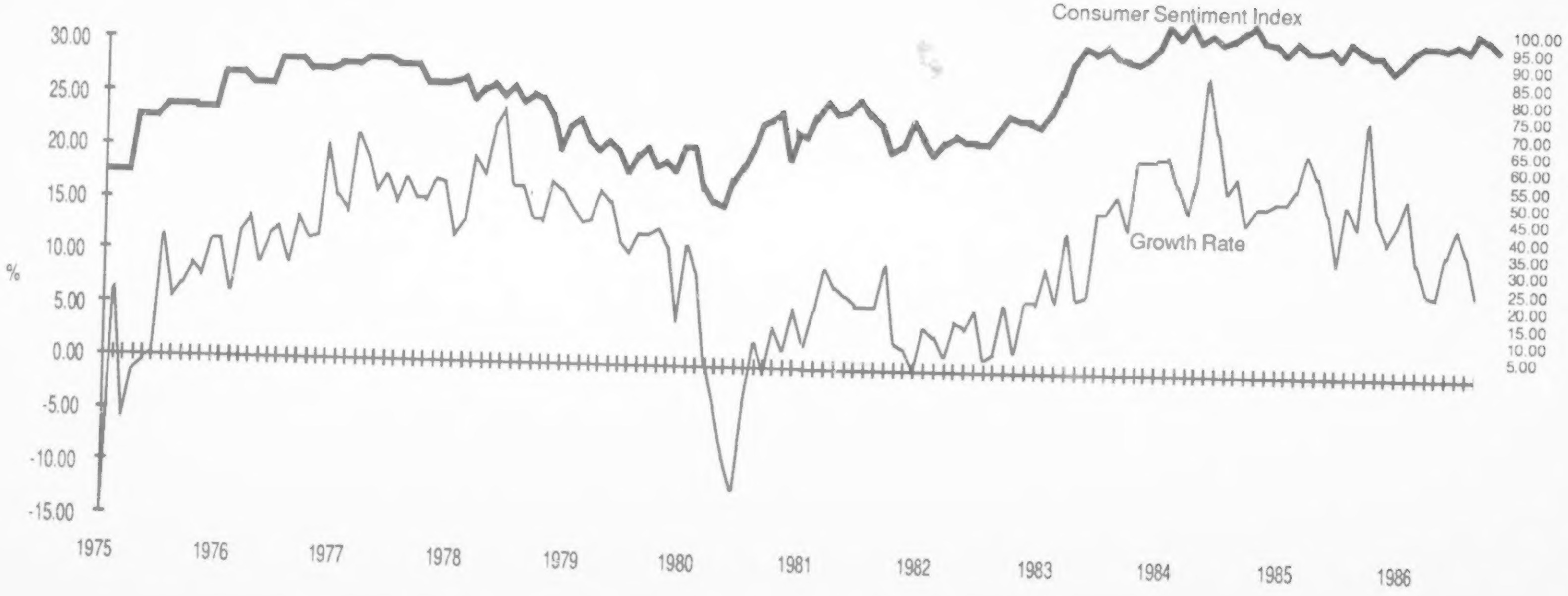
[17] A.C. Sullivan and J.R. Fain, "The Behavior of Consumer Loan Rates Charged by Commercial Banks," Working Paper No.50 (Credit Research Center, Purdue University), 1987.

CHART 69. UNIVERSITY OF MICHIGAN CONSUMER SENTIMENT INDEX



Data for Chart 69 shown in Table 41.

CHART 70. ANNUALIZED GROWTH RATE IN CONSUMER INSTALLMENT CREDIT (seasonally adjusted) AND CONSUMER SENTIMENT INDEX



C. Credit Life Insurance

The dollar amount of credit life insurance or life insurance sold in conjunction with consumer credit increased by 193 percent between 1975 and 1985 (Chart 71) but declined sharply as a percent of total consumer credit outstanding during that period (Chart 72). Based on survey data, between 1977 and 1985 the proportion of borrowers that had credit insurance increased from 64 percent to 65 percent.[18] Borrowers generally knew thay had credit insurance and thought that it was a good idea. Families with credit insurance were overwhelmingly inclined to purchase credit insurance with their next loan.

D. Life Insurance Policy Loans

Policy loans are cash loans made by a life insurance company from its general funds to a policyholder on the security of the cash value of a policy. Between 1975 and 1985 the dollar value of policy loans outstanding increased by 112 percent, compared to a 260 percent growth rate for consumer instalment loans during the same period (Chart 73). The high inflation period in 1979-82 made policy loans which were available at low fixed rates very attractive. In 1981, there was $12.6 billion in policy loans outstanding, up from $6.2 billion at the end of 1978. Insurance companies changed the prices for policy loans after that period and the dollar value of policy loans outstanding has declined steadily since 1981.

V. Household Characteristics by Region and State

The most recent economic upswing may be one of the longest on record. However, it was one that affected different regions of the country in sharply divergent ways. Credit managers are much more aware of those differences as they move from competition in a local credit market to that of a national credit market. Tables 44 through 50 provide data by state and by region on homeownership, housing, unemployment, bankruptcy, and age structure.

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[18] A.W. Cyrnak and G.B. Canner, "Consumer Experiences with Credit Insurance : Some New Evidence," Economic Review (Summer 1986) : 10.

CHART 71. CREDIT LIFE INSURANCE IN FORCE IN THE U.S. (Millions of Dollars)

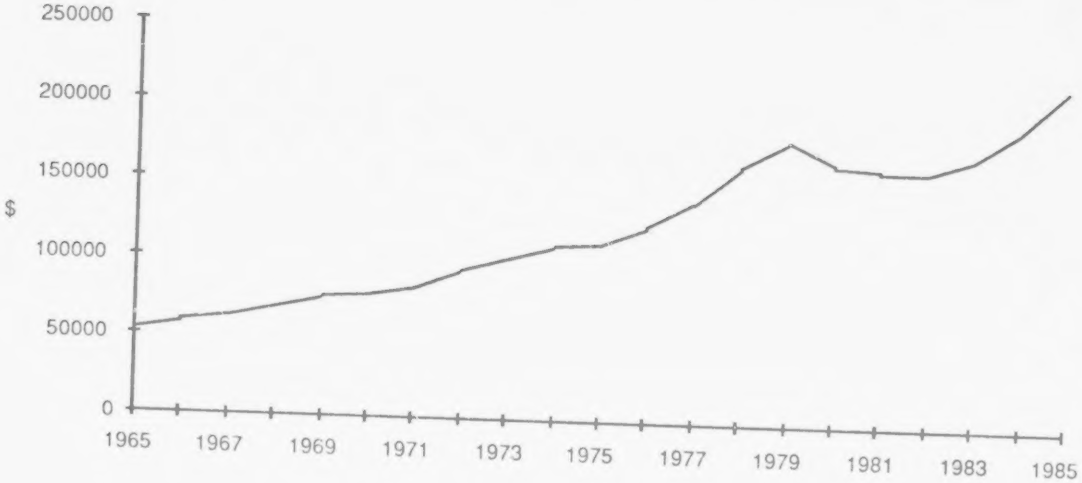
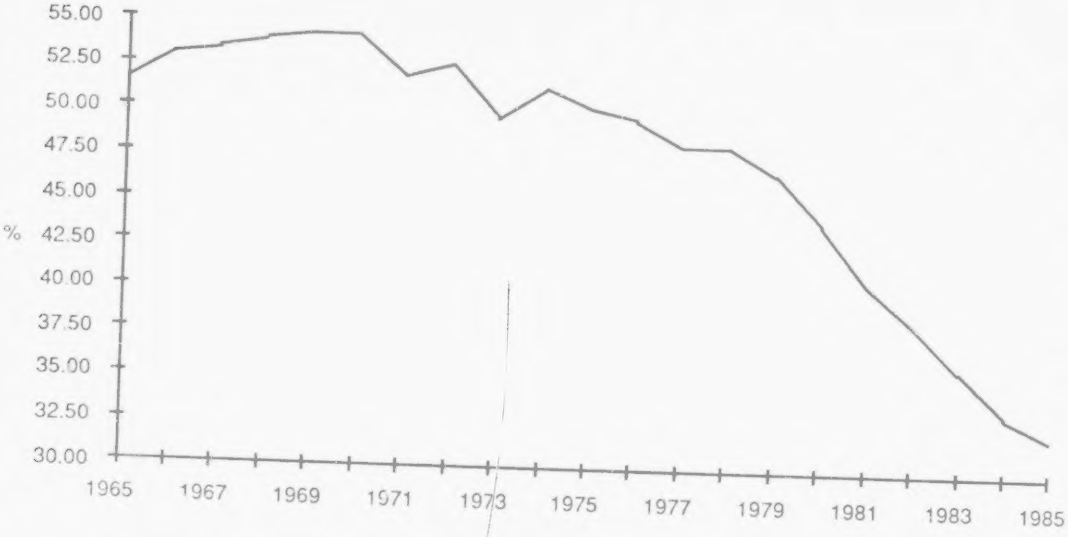
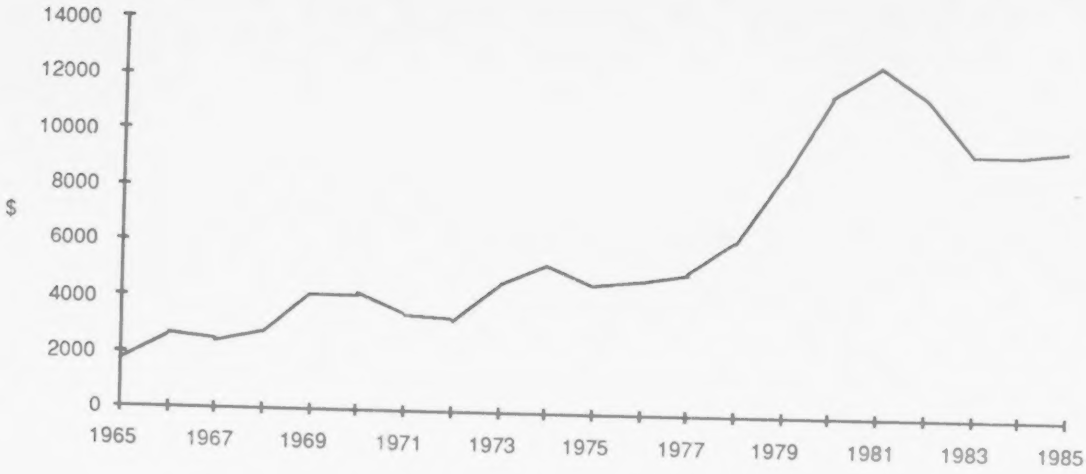


CHART 72. CREDIT LIFE INSURANCE AS A PERCENT OF OUTSTANDING CONSUMER CREDIT



Data for Charts 71 and 72 shown in Table 42.

CHART 73. U.S. LIFE INSURANCE COMPANY POLICY LOANS (Millions of Dollars)



Data for Chart 73 shown in Table 43.

TABLE 1. TOTAL CONSUMER INSTALLMENT CREDIT (Current Dollars (000,000), seasonally adjusted)

	1975	1976	1977	1978	1979	1980
J	160187	168564	190183	223682	265196	299294
F	161027	169451	192392	226179	268150	301397
M	160246	171137	195802	229830	271238	301405
A	160067	173042	198936	233244	274933	300390
M	160034	174339	201559	237571	278444	298248
J	160074	176015	204481	242304	281167	295329
J	161589	177831	207020	245661	283650	294504
A	162337	179190	210005	249086	286602	295066
S	163265	181171	212677	251924	289546	294941
O	164479	182882	215370	254749	292690	295889
N	165531	184658	218443	258421	295423	296307
D	167043	187782	221475	261976	296483	297667

	1981	1982	1983	1984	1985	1986
J	298245	315384	329919	382794	459843	542753
F	299688	316239	331828	388578	466690	547727
M	302077	316642	335527	393658	474989	551474
A	304043	317892	337518	399878	482532	555094
M	305827	318955	339628	409389	488862	560625
J	307345	320485	343987	417321	493253	567339
J	308881	320815	348450	423453	500039	573029
A	310457	321311	353359	430171	506090	576959
S	313065	323022	357482	435424	516420	na
O	313736	323563	363582	441308	522978	na
N	314258	325392	369819	447304	528621	na
D	314321	327173	376239	453580	535098	na

na : not available

Source : Federal Reserve Statistical Release G-19
(February - August 1986, preliminary data)

TABLE 2. REAL TOTAL CONSUMER INSTALLMENT CREDIT* (Constant Dollars (0000), seasonally adjusted)

	1975	1976	1977	1978	1979	1980
J	102618	101118	108490	119488	129553	128342
F	102434	101407	108635	120053	129479	127495
M	101550	102171	109878	121091	129717	125690
A	100925	102879	110766	121798	129992	123872
M	100461	103037	111605	122903	130053	121784
J	99672	103477	112476	124068	129809	119277
J	99562	103934	113373	124891	129580	118847
A	99716	104241	114569	125928	129626	118310
S	99795	104966	115585	126404	129609	117180
O	99926	105529	116732	126804	129854	116538
N	99958	106247	117823	127931	129856	115655
D	100447	107735	119009	129116	128962	115196

	1981	1982	1983	1984	1985	1986
J	114489	111640	112562	125424	145474	165272
F	113863	111588	113562	126738	147035	167245
M	113948	111848	114358	128102	148993	169164
A	113959	111816	114219	129494	150744	170641
M	113690	111095	114314	132189	152151	171813
J	113286	110284	115393	134316	153042	173022
J	112566	109793	116422	135853	154907	174704
A	112281	109737	117669	137435	156442	175581
S	112089	110134	118450	138450	159143	na
O	112089	110018	120153	139964	160669	na
N	111955	110828	122012	141866	161856	na
D	111659	111892	123967	143765	163439	na

* Real values = nominal values divided by consumer price index and multiplied by 100. CPI in 1967 = 100.

na : not available

Source : Federal Reserve Statistical Release G-19
(February-August 1986, preliminary data)

TABLE 3. DISTRIBUTION OF OUTSTANDING CONSUMER CREDIT BY MAJOR HOLDER AND CREDIT TYPE

A. Major Holder

Year	Month	Comrcl Banks	Finance Cos.	Credit Unions	Retailers	Savings & Loan	Gas Cos.
1975	D	49.67%	19.58%	15.24%	9.99%	3.88%	1.64%
1976	D	49.87	18.32	16.47	9.76	4.05	1.53
1977	D	50.63	17.30	16.85	9.69	4.17	1.36
1978	D	51.72	17.47	16.79	9.04	3.73	1.25
1979	D	51.52	19.25	15.56	8.62	3.77	1.28
1980	D	48.90	21.44	14.68	8.77	4.69	1.53
1981	D	46.46	23.27	14.50	9.06	5.28	1.43
1982	D	45.56	23.53	14.33	8.99	6.32	1.26
1983	D	45.01	22.90	14.11	9.08	7.79	1.11
1984	D	46.11	21.19	14.67	8.17	8.89	0.96
1985	D	45.00	22.44	14.04	7.32	10.38	0.81
1986	A	43.73	24.08	13.96	6.99	10.65	0.58

Source : Federal Reserve Statiscal Release G-19
(February - August 1986, preliminary data)

B: Credit Type

	Auto	Revolving	Mobile Home and Other
1975	34.0%	8.7%	57.3%
1976	36.0	8.8	55.2
1977	37.0	16.6	46.4
1978	38.0	17.3	44.7
1979	38.0	18.0	44.0
1980	38.0	18.4	43.6
1981	38.0	19.3	42.7
1982	38.0	20.2	41.8
1983	39.0	20.8	40.2
1984	38.0	21.7	40.3
1985	39.0	22.1	38.9
1986	40.0	21.5	38.5

TABLE 4. CONSUMER CREDIT OUTSTANDING BY TYPE

Year	Month	Bank Revolving	Retail Revolving	Auto	Other*
1982	N	$34,506	$26,205	$124,323	$138,267
	D	35,196	25,943	125,566	138,267
1983	J	35,196	26,467	125,566	139,650
	F	35,196	26,467	126,809	141,032
	M	35,886	26,991	128,053	142,415
	A	36,231	27,253	129,296	142,415
	M	36,231	27,515	130,539	143,798
	J	37,266	28,039	131,782	145,180
	J	37,957	28,301	134,269	146,563
	A	38,647	28,826	136,755	147,946
	S	38,992	29,088	139,242	149,328
	O	40,027	29,612	140,485	152,094
	N	41,062	30,136	142,971	153,476
	D	42,097	30,660	145,458	156,242
1984	J	43,478	30,922	147,944	159,007
	F	44,513	31,184	150,431	160,390
	M	45,548	31,184	151,674	163,155
	A	46,583	31,446	157,890	165,920
	M	48,653	31,708	157,890	168,686
	J	50,379	31,970	160,377	171,451
	J	51,069	31,970	162,863	174,216
	A	52,794	32,232	165,350	175,599
	S	54,174	32,494	166,593	178,364
	O	55,555	32,494	169,079	179,747
	N	56,935	32,756	170,323	182,512
	D	58,315	33,018	172,809	185,278
1985	J	59,695	33,280	175,295	186,660
	F	61,421	33,280	177,782	188,043
	M	64,181	33,542	181,512	190,808
	A	65,906	33,804	183,998	193,574
	M	66,252	34,067	187,728	194,956
	J	66,942	34,067	188,971	196,339
	J	68,322	34,067	191,457	200,487
	A	69,012	34,329	192,701	203,252
	S	70,392	34,329	198,917	206,018
	O	71,427	34,329	201,403	207,401
	N	73,153	34,591	203,890	208,783
	D	73,843	34,591	206,376	211,549
1986	J	74,878	34,853	210,106	212,931
	F	75,913	34,853	212,592	214,314
	M	76,948	35,115	213,836	215,697
	A	78,329	35,115	215,079	217,079
	M	79,019	35,377	217,565	218,462
	J	79,364	35,377	222,538	219,845
	J	79,709	35,639	226,268	221,227
	A	80,054	35,639	228,754	222,610

* Other = mobile home and other non-auto closed end consumer credit, plus revolving credit from savings and loans, retailers, and gasoline companies.

Source : Federal Reserve Statistical Release G-19
(February-August 1986, preliminary data)

TABLE 5. ANNUALIZED GROWTH RATE IN CONSUMER INSTALLMENT CREDIT (seasonally adjusted)

	1975	1976	1977	1978	1979	1980
J	-14.9%	10.9%	15.3%	12.0%	14.8%	11.4%
F	6.3	6.3	13.9	13.4	13.4	8.4
M	-5.8	11.9	21.3	19.4	13.8	0.0
A	-1.3	13.4	19.2	17.8	16.4	-4.0
M	-0.3	9.0	15.8	22.3	15.3	-8.6
J	0.3	11.5	17.4	23.9	11.7	-11.7
J	11.4	12.4	14.9	16.6	10.6	-3.4
A	5.6	9.2	17.3	16.7	12.5	2.3
S	6.9	13.3	15.3	13.7	12.3	-0.5
O	8.9	11.3	15.2	13.5	13.0	3.9
N	7.7	11.7	17.1	17.3	11.2	1.7
D	11.0	20.3	16.7	16.5	4.3	5.5

	1981	1982	1983	1984	1985	1986
J	2.3%	4.1%	10.1%	20.9%	16.6%	17.2%
F	5.8	3.3	6.9	18.1	17.9	11.0
M	9.6	1.5	13.4	15.7	21.3	8.2
A	7.8	4.7	7.1	19.0	19.1	7.9
M	7.0	4.0	7.5	28.5	15.7	12.0
J	6.0	5.8	15.4	23.3	10.8	14.4
J	6.0	1.2	15.6	17.6	16.5	12.0
A	6.1	1.9	16.9	19.0	14.5	8.2
S	10.1	6.4	14.0	14.7	24.5	na
O	2.6	2.0	20.5	16.2	15.2	na
N	2.0	6.8	20.6	16.3	13.0	na
D	0.2	6.6	20.8	16.8	14.7	na

na : not available

Source : Federal Reserve Board of Governors
(February - August 1986, preliminary data)

TABLE 6. CREDIT CHANGE RATIO (seasonally adjusted)
(Annualized Monthly Change in Consumer Credit Outstanding to Disposable Income)

	1975	1976	1977	1978	1979	1980
J	na	1.58%	2.31%	1.91%	2.46%	1.92%
F	0.97%	0.91	2.13	2.14	2.24	1.43
M	-0.90	1.73	3.21	3.07	2.31	0.01
A	-0.20	1.94	2.94	2.84	2.75	-0.68
M	-0.03	1.32	2.44	3.58	2.60	-1.44
J	0.04	1.70	2.69	3.89	2.00	-1.95
J	1.66	1.82	2.30	2.71	1.79	-0.54
A	0.81	1.35	2.68	2.75	2.11	0.37
S	0.99	1.96	2.38	2.26	2.10	-0.08
O	1.29	1.69	2.38	2.22	2.22	0.60
N	1.11	1.73	2.69	2.86	1.91	0.26
D	1.59	3.02	2.62	2.73	0.74	0.85

	1981	1982	1983	1984	1985	1986
J	0.35%	0.60%	1.46%	3.17%	2.73%	3.15%
F	0.88	0.48	1.02	2.77	2.99	2.03
M	1.44	0.23	1.96	2.42	3.65	1.51
A	1.18	0.69	1.04	2.93	3.22	1.45
M	1.07	0.59	1.10	4.48	2.66	2.23
J	0.90	0.85	2.26	3.70	1.87	2.71
J	0.90	0.18	2.28	2.84	2.88	2.28
A	0.91	0.27	2.49	3.09	2.57	1.58
S	1.49	0.93	2.07	2.40	4.37	na
O	0.38	0.29	3.04	2.68	2.75	na
N	0.30	0.98	3.08	2.72	2.36	na
D	0.04	0.95	3.15	2.84	2.67	na

na : not available

Sources : Current Business Statistics
Federal Reserve Statistical Release G-19
(February - August 1986, preliminary data)

TABLE 7. DISPOSABLE PERSONAL INCOME (Current dollars (000,000))

	1975	1976	1977	1978	1979	1980
J	1,029,479	1,154,548	1,247,920	1,388,467	1,571,998	1,760,553
F	1,035,543	1,166,215	1,244,450	1,403,096	1,585,748	1,769,800
M	1,040,558	1,170,568	1,273,095	1,424,861	1,604,959	1,784,517
A	1,068,538	1,175,557	1,280,979	1,441,557	1,614,404	1,783,789
M	1,142,284	1,181,959	1,289,565	1,450,372	1,623,580	1,788,058
J	1,104,720	1,185,286	1,304,920	1,461,423	1,633,742	1,797,498
J	1,097,751	1,195,905	1,324,504	1,483,460	1,661,687	1,830,354
A	1,111,136	1,203,425	1,335,060	1,496,012	1,676,035	1,844,163
S	1,119,787	1,216,780	1,346,909	1,508,527	1,685,367	1,863,178
O	1,128,888	1,210,227	1,360,518	1,526,357	1,701,686	1,887,047
N	1,134,551	1,231,875	1,372,992	1,540,972	1,714,585	1,906,737
D	1,139,447	1,240,304	1,386,819	1,560,310	1,728,764	1,929,145

	1981	1982	1983	1984	1985	1986
J	1,956,988	2,122,369	2,261,268	2,482,451	2,748,613	2,921,168
F	1,971,632	2,135,307	2,255,799	2,503,724	2,743,621	2,936,874
M	1,989,967	2,138,028	2,268,607	2,520,218	2,725,123	2,947,483
A	1,997,654	2,159,592	2,289,810	2,543,753	2,808,685	2,987,589
M	2,000,177	2,158,018	2,302,563	2,549,122	2,857,171	2,980,463
J	2,020,677	2,153,797	2,316,411	2,569,711	2,818,589	2,976,595
J	2,057,835	2,194,357	2,351,215	2,588,344	2,828,275	2,990,757
A	2,083,604	2,193,249	2,365,187	2,605,518	2,828,899	2,986,330
S	2,095,482	2,200,422	2,386,395	2,624,617	2,839,032	na
O	2,105,611	2,216,185	2,411,021	2,633,103	2,860,930	na
N	2,109,114	2,244,083	2,426,634	2,645,204	2,872,940	na
D	2,115,215	2,253,258	2,449,473	2,654,067	2,912,891	na

na: not available

Source: Current Business Statistics

TABLE 8. QUALITY OF CONSUMER CREDIT IN 1983

	Income Quintile*				
	Lowest	Second	Third	Fourth	Highest
A. Percent of households in quintile using consumer credit	29%	49%	53%	60%	61%
B. Percentage of total consumer debt held by quintile	4	11	17	26	42
C. Percentage of total pretax income by quintile	4	10	16	23	47
D. Percentage of total liquid assets in sample by quintile	4	10	16	20	50
E. Average ratio of consumer debt in 1983 to pretax income	26	18	16	16	14
F. Average ratio of liquid assets to total consumer debt	3	5	6	4	8

Source: 1983 Survey of Consumer Finances, Board of Govenors of the Federal Reserve System.

* The income quintiles were:

Lowest	$0 - 9,500
Second	9,501 - 17,090
Third	17,091 - 24,478
Fourth	24,479 - 35,462
Highest	35,463 and up

TABLE 9. NET EARNINGS AFTER COST OF MONEY
(Banks with Deposits of $50 - 200 Million)
(as percent of outstandings)

Year	Credit Card	Installment Loan	Mortgage Loan	Commercial & Other Loan
1975	1.183%	2.738%	2.529%	2.653%
1976	1.491	2.924	2.755	2.117
1977	1.624	3.082	2.931	2.119
1978	0.557	2.924	2.773	2.644
1979	0.327	2.720	2.329	3.780
1980	-0.269	2.467	1.650	4.505
1981	-1.069	1.718	0.464	5.475
1982	-0.726	2.560	1.051	3.398
1983	1.949	2.986	2.285	1.626
1984	2.105	2.671	2.330	1.894
1985	3.882	2.590	2.839	0.935
Avg	1.00	2.43	2.18	2.83

TABLE 10. NET EARNINGS AFTER COST OF MONEY
(Banks with Deposits over $200 Million)
(as percent of outstandings)

Year	Credit Card	Installment Loan	Mortgage Loan	Commercial & Other Loan
1975	1.711%	2.236%	2.803%	2.601%
1976	2.977	2.314	2.878	1.796
1977	3.317	2.674	3.251	1.828
1978	2.873	2.774	2.677	2.916
1979	1.795	2.201	1.975	4.096
1980	-1.780	1.341	1.632	4.614
1981	1.329	1.629	0.759	5.378
1982	2.894	2.829	0.839	3.210
1983	2.461	3.203	2.114	1.431
1984	3.741	2.852	2.024	1.968
1985	3.987	2.738	2.891	1.525
Avg	2.30	2.44	2.17	2.85

Note : Data on the Credit Card function are for banks that administer their own credit card plan or are primary agents of a national plan.
The Installment Loan function includes consumer installment and check credit loans as well as commercial, equipment, and floor plan loans that are carried in the installment loan department; over the 10 year period consumer and check credit accounted for 81 - 86% of the dollar volume in this area.
The Commercial and Other Loan Function includes leased equipment, agricultural (not in installment or mortgage department), construction, and other commercial loans not included elsewhere.

Source : Functional Cost Analysis, 1975-1985
Federal Reserve System

TABLE 11. CONSUMER CREDIT INTEREST RATES

Year	Qtr	CBAUT	FCAUT	CBPER	CBCC	FHLBB	1YTN	3YTN
1975	1	11.51%	13.07%	13.20%	17.24%	9.12%	5.98%	6.65%
	2	11.39	13.09	13.11	17.21	8.90	6.39	7.39
	3	11.31	13.10	13.05	17.14	8.89	7.70	8.16
	4	11.24	13.17	12.96	17.06	9.01	6.49	7.46
1976	1	11.18	13.14	13.02	17.14	8.93	5.91	7.06
	2	11.01	13.15	12.96	17.02	8.94	6.40	7.27
	3	11.07	13.18	13.02	17.01	9.02	6.00	6.86
	4	11.02	13.22	13.06	17.04	9.06	5.29	6.09
1977	1	11.14	13.16	12.95	16.89	8.99	5.47	6.44
	2	10.81	13.11	13.00	16.87	8.96	5.84	6.55
	3	10.86	13.12	12.87	16.86	9.02	6.37	6.79
	4	10.86	13.17	13.06	16.92	9.07	6.95	7.22
1978	1	10.86	13.15	12.94	16.90	9.18	7.34	7.67
	2	10.84	13.11	13.11	16.97	9.37	7.82	8.07
	3	11.09	13.11	13.30	17.10	9.70	8.31	8.33
	4	11.29	13.16	13.42	17.16	9.87	10.01	9.04
1979	1	11.60	13.30	13.59	17.07	10.20	10.24	9.29
	2	11.73	13.40	13.65	17.06	10.47	10.12	9.42
	3	11.88	13.39	13.76	17.09	11.01	9.98	9.14
	4	12.85	13.82	14.39	16.93	11.65	12.39	11.18
1980	1	13.28	14.12	14.69	17.13	11.93	13.92	12.84
	2	15.72	15.24	16.31	17.31	13.68	9.39	9.44
	3	13.91	14.73	15.33	17.39	12.25	10.24	10.63
	4	14.29	15.25	15.54	17.41	13.04	14.15	13.31
1981	1	15.84	15.49	17.14	17.58	13.54	14.57	13.65
	2	16.04	16.07	18.48	17.71	14.10	16.20	15.08
	3	16.92	15.54	18.52	17.78	15.27	16.72	16.00
	4	17.36	16.55	19.21	18.04	16.38	12.41	13.11
1982	1	17.05	17.05	18.76	18.14	15.12	14.73	14.73
	2	17.20	17.20	18.90	18.41	15.89	13.34	13.77
	3	15.97	17.08	18.93	18.73	15.68	11.43	12.62
	4	17.08	12.82	17.99	18.75	13.83	9.16	9.98
1983	1	14.81	12.05	17.59	18.89	13.16	8.92	9.91
	2	13.90	11.94	16.57	18.79	12.67	8.90	9.66
	3	13.50	12.77	16.28	18.75	12.38	10.53	11.30
	4	13.46	13.50	16.39	18.75	12.34	9.94	10.96
1984	1	13.32	14.11	16.16	18.73	12.28	10.04	11.05
	2	13.52	14.17	16.35	18.71	12.18	11.66	12.75
	3	14.08	15.01	16.75	18.81	12.43	11.82	12.50
	4	13.91	15.24	16.63	18.82	12.75	9.82	10.90
1985	1	13.37	13.78	16.21	18.85	11.70	9.29	10.55
	2	13.16	11.87	16.09	18.74	12.01	8.46	9.75
	3	12.72	10.87	15.84	18.62	11.24	8.04	9.31
	4	12.39	11.71	15.61	18.57	11.01	7.88	8.88
1986	1	12.29	9.70	14.57	18.48	10.68	7.61	8.10
	2	11.45	9.49	14.89	18.32	10.22	6.65	7.27
	3	11.00	9.29	14.70	18.15	10.26	5.93	6.49

CBAUT - commercial bank 48 month new auto loan (36 months prior to 1983)
FCAUT - auto finance company new auto loan
CBPER - commercial bank 24 month personal loan
CBCC - commercial bank credit card
FHLBB - average effective yield on conventional mortgages on new homes
1YTN - 1 year treasury notes
3YTN - 3 year treasury notes

Note : All data are for midmonth of quarter.

Sources : Consumer Credit Rates - Federal Reserve Statistical Release G-19
U.S. Treasury Rates and Mortgage Series - Federal Reserve Bulletin

TABLE 12. PERCENT OF CLOSED-END CONSUMER INSTALLMENT LOANS DELINQUENT 30 DAYS AND OVER AT COMMERCIAL BANKS* (seasonally adjusted)

	1975	1976	1977	1978	1979	1980
J	2.54%	2.47%	2.39%	2.46%	2.18%	2.39%
F	2.67	2.45	2.36	2.49	2.33	2.33
M	2.92	2.41	2.36	2.49	2.34	2.53
A	2.75	2.34	2.41	2.45	2.49	2.60
M	2.62	2.39	2.42	2.28	2.38	2.67
J	2.61	2.39	2.34	2.41	2.44	2.77
J	2.58	2.36	2.38	2.39	2.43	2.77
A	2.64	2.38	2.34	2.34	2.42	2.88
S	2.58	2.34	2.32	2.36	2.55	2.71
O	2.41	2.42	2.39	2.35	2.45	2.52
N	2.44	2.38	2.33	2.32	2.45	2.60
D	2.51	2.33	2.37	2.46	2.66	2.66

	1981	1982	1983	1984	1985	1986
J	2.36%	2.47%	2.23%	1.84%	2.20%	2.27%
F	2.48	2.33	2.22	1.78	2.19	2.29
M	2.51	2.21	2.19	1.85	2.40	2.41
A	2.46	2.23	2.07	2.06	2.38	2.44
M	2.41	2.24	2.00	1.96	2.25	2.52
J	2.35	2.21	1.92	2.02	2.33	2.53
J	2.22	2.31	1.95	1.96	2.29	2.22
A	2.36	2.22	1.90	1.93	2.35	2.33
S	2.32	2.19	1.88	2.10	2.39	2.24
O	2.35	2.24	1.91	1.91	2.26	na
N	2.40	2.23	1.86	1.97	2.32	na
D	2.37	2.18	1.94	2.09	2.32	na

* Includes unsecured personal, direct and indirect auto, home appliance, FHA Title 1, property improvement, mobile home, and recreational vehicle loans. In October 1983, home equity and second mortgage loans (closed-end only) were added.

na : not available

Source : American Bankers Association

TABLE 13. DELINQUENCY RATES FOR AUTOMOBILE CREDIT
(Percent of Loans 30+ Days Past Due, seasonally adjusted)

	Com. Bank		Finance
Month	Direct	Indirect	Company
1975-J	1.73%	2.33%	2.42%
F	1.78	2.59	2.66
M	1.97	2.68	2.60
A	1.77	2.32	2.78
M	1.71	2.24	2.49
J	1.72	2.22	2.30
J	1.63	2.22	2.29
A	1.68	2.27	2.32
S	1.65	2.21	2.31
O	1.55	2.03	2.19
N	1.43	1.84	2.10
D	1.54	1.95	2.18
1976-J	1.62	1.99	2.03
F	1.64	1.92	1.94
M	1.62	1.93	1.73
A	1.55	1.86	1.94
M	1.55	1.97	2.00
J	1.55	1.95	1.98
J	1.57	1.92	2.03
A	1.59	1.91	1.98
S	1.56	1.89	2.04
O	1.70	2.11	2.03
N	1.53	1.85	2.05
D	1.55	1.88	2.26
1977-J	1.60	1.99	2.04
F	1.65	1.99	2.02
M	1.65	2.01	1.98
A	1.63	2.03	2.05
M	1.67	2.07	2.03
J	1.63	2.09	2.10
J	1.64	2.08	2.09
A	1.60	1.97	2.11
S	1.57	2.00	2.03
O	1.64	2.06	2.24
N	1.53	1.86	2.04
D	1.59	1.99	2.07
1978-J	1.67	2.05	2.13
F	1.70	2.09	2.24
M	1.73	2.11	2.33
A	1.63	2.11	2.17
M	1.57	1.99	2.19
J	1.58	2.05	2.19
J	1.66	2.17	2.25
A	1.61	2.15	2.23
S	1.65	2.23	2.20
O	1.59	2.15	2.20
N	1.58	2.12	2.45
D	1.66	2.25	2.14
1979-J	1.50%	1.99%	2.03%
F	1.63	2.28	2.12
M	1.72	2.25	2.18
A	1.70	2.31	2.21
M	1.66	2.25	2.17
J	1.70	2.34	2.37
J	1.66	2.32	2.14
A	1.68	2.39	2.20
S	1.81	2.52	2.29
O	1.63	2.33	2.30
N	1.66	2.39	2.53
D	1.77	2.51	2.55
1980-J	1.64	2.05	2.05
F	1.65	2.02	2.16
M	1.73	2.30	2.11
A	1.77	2.38	2.19
M	1.89	2.51	2.65
J	1.95	2.58	2.52
J	2.00	2.50	2.45
A	2.07	2.68	2.31
S	2.02	2.49	2.20
O	1.76	2.25	2.28
N	1.86	2.44	2.14
D	1.81	2.29	2.21
1981-J	1.82	2.22	2.09
F	1.81	2.17	1.98
M	1.81	2.24	1.89
A	1.81	2.13	1.98
M	1.83	2.18	2.14
J	1.76	2.05	1.85
J	1.63	1.86	1.82
A	1.74	2.03	1.81
S	1.73	1.94	1.72
O	1.77	2.07	1.87
N	1.84	2.09	1.81
D	1.80	2.03	1.83
1982-J	1.87	2.08	1.89
F	1.84	1.99	1.79
M	1.70	1.85	1.64
A	1.70	1.79	1.67
M	1.74	1.79	1.65
J	1.70	1.73	1.51
J	1.70	1.79	1.60
A	1.73	1.81	1.58
S	1.73	1.81	1.68
O	1.75	1.82	1.75
N	1.74	1.77	1.59
D	1.68	1.73	1.77
1983-J	1.72%	1.72%	1.52%
F	1.77	1.75	1.60
M	1.74	1.71	1.60
A	1.57	1.60	1.47
M	1.52	1.55	1.37
J	1.47	1.48	1.39
J	1.49	1.51	1.38
A	1.41	1.46	1.30
S	1.43	1.43	1.33
O	1.49	1.43	1.38
N	1.47	1.39	1.36
D	1.53	1.50	1.32
1984-J	1.44	1.39	1.49
F	1.42	1.37	1.27
M	1.44	1.45	1.34
A	1.50	1.60	1.36
M	1.43	1.45	1.31
J	1.46	1.51	1.36
J	1.40	1.51	1.34
A	1.35	1.51	1.32
S	1.50	1.68	1.34
O	1.32	1.47	1.40
N	1.34	1.53	1.52
D	1.47	1.77	1.49
1985-J	1.55	1.86	1.56
F	1.59	1.92	1.52
M	1.63	2.15	1.78
A	1.70	2.07	1.70
M	1.63	1.87	1.63
J	1.70	2.01	1.64
J	1.76	1.95	1.65
A	1.80	2.03	1.82
S	1.84	2.08	1.79
O	1.60	1.96	1.74
N	1.66	2.00	1.89
D	1.64	2.02	1.93
1986-J	1.62	1.90	2.00
F	1.67	1.94	1.90
M	1.82	2.04	2.13
A	1.80	2.07	1.99
M	1.89	2.13	1.97
J	1.90	2.18	1.95
J	1.75	2.01	1.91
A	1.76	2.15	1.97

Source : American Bankers Association and Federal Reserve Board of Governors

TABLE 14. BANK CREDIT CARD DELINQUENCY RATES

(Percent of Accounts Past Due 30+ days, seasonally adjusted)

	1975	1976	1977	1978	1979	1980
J	2.80%	2.21%	1.66%	1.86%	1.87%	2.63%
F	2.79	2.20	1.89	1.89	1.98	2.61
M	2.87	2.59	1.80	1.84	2.01	2.76
A	2.59	2.41	1.71	2.09	2.49	2.62
M	2.51	2.49	1.62	2.03	2.41	2.67
J	2.39	2.41	1.73	1.96	2.43	2.73
J	2.28	2.46	1.80	2.16	2.50	2.75
A	2.36	2.30	1.60	2.31	2.53	2.96
S	2.27	1.97	1.65	2.33	2.62	2.76
O	2.25	2.11	1.72	2.35	2.58	2.73
N	2.24	2.01	1.69	2.34	2.58	2.79
D	2.23	1.97	1.77	2.64	2.65	2.69

	1981	1982	1983	1984	1985	1986
J	2.72%	2.56%	2.32%	1.90%	2.38%	2.88%
F	2.69	2.53	2.41	1.89	2.38	2.83
M	2.67	2.48	2.36	2.14	2.51	2.86
A	2.59	2.43	2.50	2.17	2.56	3.17
M	2.59	2.44	2.42	2.11	2.47	3.24
J	2.51	2.53	2.31	2.13	2.51	3.28
J	2.51	2.37	2.14	2.26	2.69	3.18
A	2.50	2.34	2.12	2.12	2.87	3.29
S	2.37	2.37	2.07	2.17	2.88	3.23
O	2.49	2.34	2.08	2.21	2.85	na
N	2.54	2.25	2.01	2.27	2.98	na
D	2.50	2.39	2.08	2.81	2.95	na

na : not available

Source : American Bankers Association

MORTGAGE LOAN DELINQUENCY RATES

Data for Tables 15 through 18 are from the National Delinquency Survey of the Mortgage Bankers Association of America. All data are seasonally adjusted.

TABLE 15. DELINQUENCY RATES ON ALL MORTGAGE LOANS

		Days Past Due				Days Past Due	
Year	Qtr	30	90+	Year	Qtr	30	90+
1975	1	3.21%	0.50%	1981	1	3.77%	0.65%
	2	3.09	0.47		2	3.72	0.65
	3	3.05	0.47		3	3.73	0.64
	4	3.05	0.50		4	3.67	0.64
1976	1	3.13	0.50	1982	1	3.75	0.70
	2	3.34	0.56		2	3.83	0.76
	3	3.35	0.55		3	3.76	0.78
	4	3.24	0.55		4	3.91	0.83
1977	1	3.22	0.55	1983	1	4.01	0.84
	2	3.35	0.54		2	3.85	0.83
	3	3.20	0.52		3	3.56	0.83
	4	3.23	0.50		4	3.88	0.86
1978	1	3.30	0.52	1984	1	3.66	0.86
	2	3.28	0.52		2	3.75	0.88
	3	3.30	0.51		3	4.02	0.90
	4	3.32	0.50		4	3.95	0.91
1979	1	3.26	0.46	1985	1	4.17	0.95
	2	3.30	0.47		2	3.97	0.92
	3	3.58	0.48		3	3.79	0.92
	4	3.40	0.50		4	3.81	0.96
1980	1	3.57	0.53	1986	1	3.85	0.98
	2	3.63	0.55		2	3.70	1.07
	3	3.57	0.59		3	3.53	1.00
	4	3.44	0.62				

TABLE 16. DELINQUENCY RATES CONVENTIONAL MORTGAGE LOANS

		Days Past Due				Days Past Due	
Year	Qtr	30	90+	Year	Qtr	30	90+
1975	1	1.91%	0.30%	1981	1	2.27%	0.32%
	2	1.94	0.31		2	2.35	0.34
	3	1.93	0.33		3	2.50	0.35
	4	1.95	0.35		4	2.39	0.35
1976	1	1.95	0.33	1982	1	2.52	0.42
	2	2.00	0.38		2	2.55	0.48
	3	2.04	0.35		3	2.61	0.52
	4	1.97	0.33		4	2.63	0.53
1977	1	1.92	0.32	1983	1	2.90	0.65
	2	2.00	0.32		2	2.67	0.58
	3	1.98	0.31		3	2.45	0.54
	4	1.99	[illegible]		4	2.59	0.55
1978	1	1.98	0.29	1984	1	2.45	0.56
	2	1.95	0.28		2	2.50	0.58
	3	1.98	0.28		3	2.74	0.61
	4	2.00	0.26		4	2.76	0.59
1979	1	2.01	0.24	1985	1	2.83	0.58
	2	1.95	0.25		2	2.81	0.57
	3	2.36	0.25		3	2.70	0.62
	4	2.12	0.26		4	2.78	0.66
1980	1	2.30	0.27	1986	1	2.70	0.65
	2	2.28	0.28		2	2.57	0.72
	3	2.28	0.31		3	2.42	0.67
	4	2.26	0.33				

TABLE 17. DELINQUENCY RATE FHA INSURED MORTGAGE LOANS

Year	Qtr	Days Past Due 30	90+
1975	1	4.03%	0.63%
	2	3.75	0.55
	3	3.80	0.58
	4	3.91	0.59
1976	1	3.98	0.61
	2	4.24	0.68
	3	4.24	0.69
	4	4.22	0.70
1977	1	4.19	0.71
	2	4.22	0.69
	3	4.15	0.68
	4	4.28	0.64
1978	1	4.35	0.70
	2	4.25	0.68
	3	4.37	0.68
	4	4.46	0.66
1979	1	4.40	0.64
	2	4.42	0.63
	3	4.73	0.65
	4	4.68	0.69
1980	1	4.74	0.71
	2	4.92	0.75
	3	4.72	0.79
	4	4.43	0.81
1981	1	5.01%	0.88%
	2	4.80	0.81
	3	4.83	0.85
	4	4.69	0.83
1982	1	4.84	0.94
	2	4.89	0.94
	3	4.89	0.98
	4	4.09	1.07
1983	1	5.03	1.04
	2	4.83	1.00
	3	4.65	1.06
	4	4.93	1.10
1984	1	4.78	1.09
	2	4.87	1.12
	3	5.24	1.16
	4	4.97	1.18
1985	1	5.50	1.25
	2	5.17	1.21
	3	4.84	1.16
	4	4.66	1.20
1986	1	5.07	1.28
	2	4.80	1.36
	3	4.57	1.27

TABLE 18. DELINQUENCY RATE VA-GUARANTEED MORTGAGE LOANS

Year	Qtr	Days Past Due 30	90+
1975	1	3.11%	0.47%
	2	2.88	0.46
	3	2.86	0.44
	4	2.90	0.47
1976	1	2.98	0.47
	2	3.18	0.54
	3	3.19	0.54
	4	3.13	0.54
1977	1	3.02	0.54
	2	3.12	0.54
	3	3.03	0.53
	4	3.11	0.50
1978	1	3.19	0.53
	2	3.11	0.53
	3	3.20	0.53
	4	3.27	0.52
1979	1	3.24	0.51
	2	3.33	0.52
	3	3.58	0.56
	4	3.49	0.63
1980	1	3.62	0.64
	2	3.66	0.66
	3	3.73	0.70
	4	3.71	0.72
1981	1	4.09%	0.76%
	2	3.95	0.76
	3	3.90	0.74
	4	3.89	0.74
1982	1	4.00	0.79
	2	4.08	0.86
	3	3.95	0.89
	4	4.19	0.92
1983	1	4.31	0.89
	2	4.11	0.93
	3	3.84	0.96
	4	4.25	0.97
1984	1	4.06	1.01
	2	4.19	1.01
	3	4.57	1.04
	4	4.44	1.09
1985	1	4.68	1.17
	2	4.40	1.12
	3	4.23	1.10
	4	4.23	1.15
1986	1	4.41	1.19
	2	4.27	1.28
	3	4.23	1.26

TABLE 19. SECOND MORTGAGE DELINQUENCY RATES AT COMMERCIAL BANKS
(Percent of Home Equity and Second Mortgage Loans (closed-end only) Past Due 30+ Days, not seasonally adjusted)

Year	Month	Rate	Year	Month	Rate	Year	Month	Rate
1983	O	1.85%	1985	J	2.08%	1986	J	1.86%
	N	1.97		F	2.09		F	1.94
	D	1.94		M	2.07		M	1.95
1984	J	1.80		A	1.84		A	2.06
	F	1.71		M	1.82		M	2.05
	M	1.59		J	1.81		J	2.00
	A	1.57		J	1.95		J	1.84
	M	1.61		A	1.91		A	1.82
	J	1.57		S	2.03		S	1.89
	J	1.67		O	1.81		O	1.66
	A	1.67		N	1.86		N	1.79
	S	1.74		D	2.06		D	1.85
	O	1.56						
	N	1.62						
	D	1.77						

Source : American Bankers Association

TABLE 20. ESTATES IN PERSONAL BANKRUPTCY* PER 100,000 IN POPULATION

Year	
1965	84.10
1966	89.50
1967	96.49
1968	90.31
1969	83.63
1970	86.98
1971	88.02
1972	78.88
1973	74.00
1974	79.64
1975	105.05
1976	98.23
1977	84.01
1978	78.83
1979	89.30
1980	141.32
1981	199.80
1982	193.90
1983	187.55
1984	169.42
1985	176.07
1986	240.89

* A joint filing by husband and wife equals two estates.
Annual data is for July 1 through June 30.

Sources : U.S. Bureau of the Census
Bankruptcy Division,
Administrative Office of the U.S. District Courts

TABLE 21. INCIDENCE OF BANKRUPTCY (BY STATE)
NUMBER OF FILINGS - JULY 1 THROUGH JUNE 30

	1981		1982		1983	
State	Business	Non Business	Business	Non Business	Business	Non Business
AL	1065	9708	1261	10065	1037	9811
AK	210	205	222	155	187	171
AZ	936	3412	1118	3434	1490	3781
AR	340	2308	313	2372	513	2454
CA	6954	43217	9893	49033	13365	54769
CO	1576	5090	1459	4229	1541	4540
CT	429	2091	412	2290	494	2011
DE	54	528	58	491	66	416
DC	51	667	84	643	91	704
FL	1124	5644	1638	6171	1722	6348
GA	1207	10517	1540	11216	1864	11677
HI	232	546	257	527	266	411
ID	423	1784	380	2031	580	1761
IL	2755	23869	2547	22035	3725	21318
IN	844	12631	1040	11700	1530	11357
IA	1267	3241	954	2595	1404	2109
KS	662	3863	640	3649	594	3704
KY	655	7147	954	6361	1073	5751
LA	732	4448	1007	4594	1358	5515
ME	279	753	268	658	248	488
MD	452	4897	358	3603	496	4060
MA	431	2936	540	2799	580	2439
MI	1566	13503	1811	12424	1726	11003
MN	970	4392	1072	4385	1495	3546
MS	255	4873	373	5015	460	4757
MO	1294	6575	1203	6436	1678	5337
MT	212	930	201	854	287	735
NE	450	2367	405	1926	659	1631
NV	411	2166	550	2067	645	2312
NH	153	590	162	636	223	413
NJ	1092	5905	1295	7134	1126	7375
NM	152	1309	171	1158	208	1364
NY	2859	21296	3091	18376	3401	14327
NC	777	7559	967	6150	967	5131
ND	197	386	236	401	379	339
OH	1800	25543	2383	24130	2763	20580
OK	539	4121	635	3558	1131	4591
OR	1036	4439	1440	4547	1613	4316
PA	1413	8622	1873	11126	1926	9958
RI	169	862	218	863	213	813
SC	266	1373	255	1850	313	1848
SD	248	366	380	408	462	362
TN	1185	12617	1783	13349	1987	12865
TX	2085	7504	2751	7533	4020	8791
UT	960	2794	849	2312	1040	2617
VT	82	189	114	182	125	141
VA	1172	8717	1394	8233	1686	7515
WA	1433	7004	1781	7030	1611	7493
WV	333	1822	297	1886	461	1757
WI	1158	4669	1115	5422	1828	5444
WY	127	440	173	377	329	443

TABLE 21. (continued)

State	1984		1985		1986	
	Business	Non Business	Business	Non Business	Business	Non Business
AL	961	8870	990	9871	1081	12964
AK	183	193	241	293	275	545
AZ	1373	3403	1354	3822	1653	5213
AR	587	2605	659	3290	614	3975
CA	10106	52261	9820	52012	10537	68687
CO	2035	4078	2057	4955	2991	7478
CT	366	1555	354	1488	264	1937
DE	69	378	43	408	49	491
DC	95	561	112	585	95	741
FL	1925	5773	2163	6972	2014	11545
GA	1647	10878	1703	12685	2009	17192
HI	249	381	246	363	253	529
ID	613	1508	675	1730	687	2495
IL	3610	21008	3784	21769	3969	26884
IN	1255	10905	1378	10837	1449	14544
IA	1587	2157	1994	2717	2405	3786
KS	818	3456	1062	3746	1419	5146
KY	729	5803	967	6068	972	8111
LA	1279	5481	1361	6340	2166	9554
ME	181	442	174	449	189	612
MD	413	3176	444	3500	507	5031
MA	514	1864	429	1602	476	1838
MI	1595	8086	1470	7145	1620	9271
MN	1412	3405	1466	3930	1743	6130
MS	347	4237	346	4501	461	5401
MO	1224	5471	1758	5617	1918	7430
MT	216	751	276	776	376	1085
NE	515	1817	648	2106	731	2748
NV	567	2200	563	2324	755	3357
NH	124	381	141	394	118	430
NJ	1034	5873	1083	5592	1008	6556
NM	237	1327	301	1287	467	1734
NY	2762	11714	2567	11595	2492	13747
NC	863	3880	912	4529	1041	6459
ND	332	307	312	369	338	681
OH	2380	17612	2312	17182	2180	21248
OK	961	5388	1614	5493	2334	8246
OR	1320	4746	1752	4703	2351	6666
PA	1534	7715	1432	8371	1328	10811
RI	147	655	134	616	101	777
SC	251	1666	252	2055	335	3331
SD	187	614	519	393	796	512
TN	1552	12297	1366	13355	1664	17851
TX	4551	9130	5601	11235	7343	19031
UT	1024	2364	1122	2835	1319	3810
VT	98	136	86	143	63	182
VA	1305	7059	1445	7727	2040	10057
WA	1721	7782	1733	9554	2009	13376
WV	410	1474	418	1475	473	1993
WI	1932	5621	1959	5489	1705	6748
WY	398	512	479	558	525	808

Source : Bankruptcy Division, Administrative Office of the U. S. District Courts

TABLE 22. REVOLVING CREDIT* (seasonally adjusted)

Year	As a Percent of Total Consumer Credit	Distribution by Source			
		Comrcl Banks	Retailers	Gas Cos.	S & L's
1975	8.7%	81.1%	**%	18.9%	0.0%
1976	8.8	82.7	**	17.3	0.0
1977(r)	16.6	47.9	43.9	8.2	0.0
1978	17.3	51.5	41.2	7.2	0.0
1979	18.0	53.6	39.3	7.1	0.0
1980	18.4	51.9	39.8	8.3	0.0
1981	19.3	51.9	40.3	7.4	0.4
1982	20.2	53.3	39.4	6.3	1.0
1983	20.8	53.8	39.0	5.4	1.8
1984	21.7	59.0	33.6	4.4	3.0
1985	22.1	62.5	29.2	3.7	4.7
1986(p)	21.5	63.5	28.2	2.6	5.7

* Excludes 30-day charge credit held by travel and entertainment companies.
Percentages are calculated from December 31 outstandings.
New revisions of data (March 1987) will include revolving credit at credit unions.

** Less than .05%.

(r) January 1977 -- some retail store credit was reclassified into the installment credit series (considered single payment in prior years).

(p) Preliminary.

Source : Federal Reserve Statistical Release G-19

TABLE 23. BANK CARD SATURATION RATES BY STATE - 1985

State	Saturation*	State	Saturation*	State	Saturation*
AL	24%	KY	20%	ND	15%
Ak	16	LA	21	OH	37
AZ	37	ME	25	OK	15
AR	23	MD	32	OR	37
CA	33	MA	36	PA	34
CO	32	MI	27	RI	15
CT	29	MN	17	SC	20
DE	40	MS	18	SD	11
DC	28	MO	30	TN	17
FL	33	MT	15	TX	33
GA	25	NE	26	UT	10
HI	24	NV	15	VT	10
ID	21	NH	7	VA	32
IL	39	NJ	36	WA	41
IN	20	NM	33	WV	27
IA	22	NY	39	WI	26
KS	18	NC	22	WY	34

Overall U.S. - 30% saturation

* Percent of state population that holds a bank card

Source : The Nilson Report, Number 374 (February 1986)

TABLE 24. GENERAL PURPOSE CARDS IN THE U.S. (as of June 1986)

STANDARD CARDS

Issuer	Persons Holding This Card Type (000s)	Number of Cards Per Person	Cards Issued (000s)	Cards Issued % of Total
Visa Member Banks	39131	2.3	89870	52.6%
Master Card Member Banks	28178	2.3	64974	38.0
American Express Green	12261	1.1	14100	8.3
Citicorp Choice	1300	1.2	1600	0.1
Sears Discover	250	1.4	350	*
Total	81120	2.1	170984	100.0%

PREMIUM CARDS

Issuer	Persons Holding This Card Type (000s)	Number of Cards Per Person	Cards Issued (000s)	Cards Issued % of Total
Visa Member Banks	2273	1.5	3500	29.5%
Master Card Member Banks	2013	1.5	3100	26.2
American Express Platinum	96	1.0	96	0.1
American Express Gold	3043	1.2	3500	29.5
Diners Club	1414	1.1	1626	13.7
Carte Blanche	26	1.2	30	*
Total	8865	1.3	11852	100.0%

* Less than .5%

Source : The Nilson Report,number 381 (June 1986)

TABLE 25. TOP TEN BANK CARD ISSUERS IN THE U.S. (as of January 1987)

Rank	Issuer	Issuing State	Headquarters State	Cards Issued (000s)
1	Citibank	SD	NY	14700
2	Bank of America	CA	CA	11000
3	Chase Manhattan	DE	NY	7400
4	First Chicago (a)	IL	IL	6500
5	Manufacturers Hanover	NY	NY	6000
6	Marine Midland	NY&DE	NY	5700
7	Chemical (b)	NY	NY	3800
8	Maryland National	DE	MD	3200
9	Wells Fargo	CA	CA	3000
10	First Atlanta (c)	DE	GA	1930

Average charges by top ten issuers (weighted by customer base size)
Interest Rate - 19.19%
Annual Fee - $18.91

(a) Includes 1.1 million accounts purchased from Beneficial National Bank.
(b) Does not include 150 thousand accounts of Texas Commerce Bancshares - merger waiting approval.
(c) Does not include 250 thousand Wachovia accounts.

Source : The Nilson Report, number 396 (January 1987)

TABLE 26. STATE REGULATIONS ON BANK CARD FEES AND INTEREST RATES (as of September 1986)

State	Rate Ceiling	Annual Fee Limit
AL	21% to $750 - 18% to $2000 - negotiable on excess	$15 - If grace period; 0 otherwise
AK	18% to $1000 - 5% over Federal Discount Rate on excess - leser of 3% of amount or 12% for cash withdrawal	No limit
AZ	No limit	No limit
AR	5% over Federal Discount Rate, not to exceed 17%	No limit
CA	No limit	No limit
CO	21%	No limit
CT	15% purchase - 12% nonbank cash advance - no limit cash advance by depository institution	No limit
DE	No limit	No limit
DC	14%	0
FL	18%	No limit
GA	18%	$12
HI	18%	No limit
ID	No limit	No limit
IL	19.80%	No limit
IN	No limit	No limit
IA	19.80%	No limit
KS	21%	No limit
KY	21%	$20
LA	18%	$12
ME	18%	$12
MD	24%	No limit
MA	18% (ceiling removed 3 months when twice average 91 day T-bill rate > 18% prior 3 months)	No limit
MI	18%	No limit
MN	18% if no annual fee -12% if annual fee	$15
MS	21%	0
MO	22% to $1000 - 10% on exess	Statutes do not address issue of annual fees so card issuers do not charge
MT	No limit	No limit
NE	No limit	$20 - any reasonable fee permitted if credit limit >= $1500 and extra services provided
NV	No limit	No limit
NH	No limit	No limit
NJ	30%	$15
NM	No limit	No limit
NY	25%	No limit
NC	18%	$20
ND	18%	No limit
OH	25%	No limit
OK	21%	No limit
OR	No limit	No limit
PA	18%	$15
RI	18%	No limit
SC	No limit	No limit
SD	No limit	No limit
TN	21% purchase - $24 cash advance	No limit
TX	14 - 22% (variable quarterly based on twice average 26 week T-bill rate prior quarter)	0
UT	No limit	No limit
VT	18%	No limit
VA	No limit	No limit
WA	12% unless 4% over 26 week T-bill rate > 12% - Card issuers charge 15% by Federal Most Favorable Act - state chartered credit unions charge 21%	No limit
WV	18%	No limit
WI	18%	No limit
WY	36% to $1000 - 21% on excess	No limit

Source : The Nilson Report, Number 388 (September 1986)

TABLE 27. STATE REGULATIONS ON TWO PARTY SELLER CREDIT CARD INTEREST RATES (as of 1/10/87)

States with No Rate Ceiling

AZ
DE
ID
IL
KY
MT
NV
NH
NJ
NM
NY
OR
SC
SD
UT
VA

States with Rate Ceilings

AL	21% to $750 - 18% on excess
AK	18% to $1000 - 5% over Federal Discount Rate on excess
AR	5% over Federal Discount Rate not to exceed 17%
CA	19.2% to $3000 - 12% on excess
CO	21%
CT	15%
DC	24%
FL	18%
GA	21%
HI	18%
IN	21%
IA	19.8%
KS	21%
LA	18%
ME	18%
MD	24%
MA	18%
MI	20.4%
MN	18% (16% on gas credit cards for issuer with sales > $10 billion)
MS	21%
MO	20.04%
NE	21% to $500 - 18% on excess
NC	18%
ND	18%
OH	25%
OK	21%
PA	18%
RI	18%
TN	21%
TX	18% to $1550 - 12% on excess OR 18% all amounts OR 18-24% variable quarterly based on twice average 26 week T-bill rate
VT	21%
WA	18%
WV	18%
WI	18%
WY	21%

Source: J.C. Penney, Co.

ECONOMIC CHARACTERISTICS OF RETAIL STORE CREDIT
1968 and 1984

The data for Tables 28, 29, and 30 are derived from two studies sponsored by the National Retail Merchants Association. The earlier study, Economic Characteristics of Department Store Credit (1969), included 15 retailers representing $1.2 billion in total annual sales and $0.7 billion in credit sales for the fiscal year ending 1-31-68. The latter study, Economic Characteristics of Retail Store Credit (1986), included 20 retailers representing $66.4 billion in total annual sales and $38.9 billion in credit sales for 1984.

TABLE 28. NET RETAIL SALES ACTIVITY

		1968		1984	
Cash		42.3%		36.3%	
Store Credit					
30-day		15.4		0.8	
Revolving		33.6		56.7	
Installment		8.7		1.0	
	Total		57.7%		58.5%
Third-Party Credit					
Bank-card		*		3.6	
T&E card		0		1.6	
	Total		0.0%		5.2%
Total Net Sales		100.0%		100.0%	

* Negligible; not included in 1968 analysis.

TABLE 29. FINANCE CHARGE REVENUES AND CREDIT COSTS (Percent Analysis)

	Percent of Credit Sales		Percent of Average Accounts Receivable		Dollars per Active Account	
	1968	1984	1968	1984	1968	1984
Finance charge revenues	4.4%	10.6%	11.3%	16.0%	$7.40	$45.92
Credit costs:						
New account costs	0.54	0.48	1.46	0.71	0.83	2.06
Account servicing costs	2.54	0.86	7.35	1.31	3.45	3.74
Account collection costs	1.74	0.75	4.69	1.12	2.48	3.22
Credit space, equipment, mgmt, and other	0.71	0.90	2.19	1.40	0.99	4.12
Non allocated processing costs*	-	0.29	-	0.44	-	1.27
Bad debt expense	na	1.2	na	1.9	na	5.30
Cost of financing accts receivable**	2.24	7.7	6.1	11.5	3.60	32.93
Total credit costs	7.8%	12.2%	21.8%	18.4%	$11.35	$52.64
(Deficiency) of revenue over costs	(3.4%)	(1.6%)	(10.5%)	(2.4%)	$(3.95)	$(6.72)
(Deficiency) of revenue over costs - 1968 - with 15% cost of capital	(6.8%)	-	(19.63%)	-	$(9.38)	-

* Some retailers in 1984 could not allocate processing costs to specific purposes.

** Cost of capital for 1968 = 6%; this was the most conservative estimate of the cost of financing accounts receivable. Elsewhere in the study a blended cost of capital rate of 15% was proposed to better reflect the true cost. Thus, the deficiency of revenue over costs at this higher rate is presented as well.

Cost of capital for 1984 = 13.4%, a blended rate to reflect the use of debt and equity financing.

na : Not available.

TABLE 30. SUPPLEMENTARY STATISTICS

	1968	1984
Average cash sale*	na	$22.30
Average store credit sale	$10.20	$37.22
Average new account approval rate	na	59.4%
Average monthly balance of customer accounts receivable	$65.17	$286.76
Average bad debt recovery rate	na	28.5%
Turnover of accounts receivable	2.4X	1.5X

* Includes both cash and third-party transactions for 1984.

na : Not available.

TABLE 31. ACTIVE CREDIT CARD ACCOUNTS AS A PERCENT OF TOTAL ACCOUNTS AND ACCOUNTS PAYING INTEREST AS A PERCENT OF ACTIVE ACCOUNTS

	Banks with Deposits of $50 - 200 Million		Banks with Deposits over $200 Million	
Year	Active/Total	Revolving/Active	Active/Total	Revolving/Active
1975	68.21%	68.36%	60.69%	69.03%
1976	69.83	62.34	64.14	65.07
1977	68.95	62.14	66.61	62.58
1978	65.95	64.21	66.82	71.06
1979	84.76	79.56	65.98	67.51
1980	72.01	65.44	65.09	68.09
1981	69.19	61.83	64.85	71.63
1982	73.83	65.25	72.58	69.06
1983	70.27	66.38	73.17	72.97
1984	72.34	67.88	71.55	68.65
1985	75.38	65.03	76.50	74.48

Note : A "Card" bank administers it's own credit card plan or is the primary agent of a national plan.

Source : Functional Cost Analysis, 1975-1985
Federal Reserve System

TABLE 32. INCOME, EXPENSES, AND NET EARNINGS AS A PERCENT OF CREDIT CARD DOLLAR VOLUME OUTSTANDING

(Card Banks with Deposits of $50 - 200 Million)

Year	Total Income	Sal & Fringe	Other Operating Expenses	Cost of Money	Losses Credit	Losses Fraud	Net (After-Cost) Earnings
1975	19.896%	4.484%	7.638%	4.765%	1.826%	na	1.183%
1976	20.339	4.629	8.131	4.667	1.420	na	1.491
1977	20.784	4.610	8.507	4.771	1.271	na	1.624
1978	20.300	4.667	8.474	5.195	1.407	na	0.557
1979	20.233	4.312	7.966	6.095	1.393	0.139%	0.327
1980	21.060	4.135	8.169	7.122	1.689	0.213	-0.269
1981	22.350	4.369	8.460	9.052	1.392	0.145	-1.069
1982	22.872	4.406	8.135	9.207	1.677	0.173	-0.726
1983	23.655	4.308	7.323	7.946	1.904	0.224	1.949
1984	25.215	4.545	9.020	8.342	1.060	0.142	2.105
1985	25.245	3.836	8.355	7.603	1.423	0.146	3.882

TABLE 33. INCOME, EXPENSES, AND NET EARNINGS AS A PERCENT OF CREDIT CARD DOLLAR VOLUME OUTSTANDING

(Card Banks with Deposits over $200 Million)

Year	Total Income	Sal & Fringe	Other Operating Expenses	Cost of Money	Losses Credit	Losses Fraud	Net (After-Cost) Earnings
1975	18.679%	3.812%	6.921%	4.574%	1.661%	na	1.711%
1976	19.505	3.671	6.763	4.612	1.483	na	2.977
1977	19.554	3.530	6.646	4.630	1.430	na	3.317
1978	19.220	3.423	5.895	5.313	1.716	na	2.873
1979	19.410	3.327	5.798	6.523	1.749	0.217%	1.795
1980	20.741	4.973	6.917	7.950	2.348	0.333	-1.780
1981	23.259	3.438	6.608	9.531	2.147	0.206	1.329
1982	24.873	3.797	6.955	9.285	1.723	0.219	2.894
1983	24.217	4.314	8.290	7.690	1.214	0.247	2.461
1984	24.365	3.839	7.297	8.235	1.087	0.166	3.741
1985	23.995	3.898	6.948	7.316	1.680	0.166	3.987

na : not available

Note : A "Card" bank administers it's own credit card plan or is the primary agent of a national plan.

Source : Functional Cost Analysis, 1975-1985
Federal Reserve System

TABLE 34. TOTAL OUTSTANDING AUTOMOBILE CREDIT AND BY HOLDER
(Millions of Dollars, seasonally adjusted)

Month	Total	Com. Bank	Finance Company	Month	Total	Com. Bank	Finance Company	Month	Total	Com. Bank	Finance Company
1975-J	54166	32700	10569	1979-J	100420	61580	17602	1983-J	126176	57525	44960
F	54450	32719	10694	F	101779	62359	18046	F	126976	57403	45619
M	54044	32353	10608	M	103375	63294	18587	M	128391	57285	46801
A	53790	32114	10500	A	104796	64134	19066	A	129493	57246	47496
M	53662	31972	10472	M	106207	65039	19516	M	130526	57657	47776
J	53748	31889	10539	J	107281	65422	20127	J	132432	58178	48653
J	54353	32100	10570	J	107929	65745	20410	J	134473	59402	49156
A	54564	32083	10638	A	108855	66144	20774	A	137399	61587	49525
S	55033	32342	10667	S	110097	66718	21343	S	138923	62770	49402
O	55693	32703	10780	O	111001	67195	21671	O	141133	64272	49648
N	56246	32989	10877	N	111726	67282	22295	N	143455	65683	50008
D	56989	33385	10969	D	112475	67464	22948	D	145908	67548	50087
1976-J	57749	33837	11108	1980-J	113777	67813	23631	1984-J	148520	69136	50477
F	58347	34187	11191	F	114458	67957	24396	F	150693	70589	50610
M	59333	34805	11294	M	114521	67428	25096	M	152211	71914	50390
A	60325	35434	11422	A	114038	66236	26064	A	154062	73155	50217
M	61103	35989	11461	M	112934	65263	26415	M	157615	75670	50598
J	61971	36524	11553	J	111681	64129	26971	J	160410	77238	51444
J	62749	37063	11600	J	111009	63192	27390	J	163173	78887	51894
A	63443	37512	11668	A	111391	62849	27940	A	165682	80083	52681
S	64273	38024	11703	S	111117	62446	28087	S	167165	80817	53057
O	65040	38546	11787	O	111619	62241	28713	O	169102	81780	53498
N	65778	39009	11871	N	111931	61989	29195	N	170890	82692	53919
D	66821	39746	11959	D	112255	61557	29822	D	173122	83900	54663
1977-J	67556	40281	11969	1981-J	112065	60595	30515	1985-J	175845	85022	55553
F	68415	40798	12085	F	112808	60258	31359	F	178251	86212	56406
M	69853	41849	12207	M	114351	60434	32542	M	181514	87603	57806
A	71096	42735	12302	A	114843	60209	33046	A	184526	88502	59340
M	72245	43489	12438	M	115124	60082	33150	M	187533	89198	61067
J	73593	44490	12498	J	115583	59894	33613	J	189459	89799	61960
J	74797	45296	12716	J	116119	59697	34088	J	191201	90350	62586
A	76105	46215	12835	A	117462	59233	35824	A	192923	90234	64071
S	77374	47105	12978	S	118965	58817	37768	S	198656	90784	69201
O	78428	47884	13068	O	119429	58369	38749	O	201994	91402	71415
N	79691	48828	13127	N	119786	58081	39489	N	203766	92127	71996
D	80948	49727	13275	D	120020	58037	39888	D	206482	92764	73391
1978-J	82143	50437	13557	1982-J	120637	58312	39990	1986-J	210661	93489	76410
F	83067	50964	13697	F	121124	58455	40342	F	213196	93730	78310
M	84690	52082	13865	M	121273	58376	40561	M	214431	93376	79416
A	86251	53044	14131	A	121923	58319	41268	A	215028	92956	80111
M	88158	54246	14408	M	122592	58016	42251	M	218058	92987	82674
J	90304	55517	14780	J	123400	57861	43115	J	222695	93196	86520
J	91846	56612	15075	J	122893	57662	42793	J	226232	94024	88862
A	93439	57696	15450	A	122653	57485	42611	A	228744	94689	90578
S	94561	58389	15733	S	123246	57902	42495				
O	95867	59114	16096	O	123225	57836	42465				
N	97512	60026	16595	N	124456	57984	43322				
D	98739	60657	17050	D	125369	57747	44227				

Source : Federal Reserve Statistical Release G-19 (February - August 1986, preliminary data)

Note: Auto credit not held by commercial banks and finance companies is held by credit unions and savings and loan institutions.

TABLE 35. AVERAGE MATURITY OF AUTO LOANS AT FINANCE COMPANIES

	1975		1976		1977		1978	
	New	Used	New	Used	New	Used	New	Used
J	37.0	29.1	38.1	29.6	39.7	30.6	41.9	31.8
F	37.4	29.1	38.3	30.4	40.0	30.6	42.2	32.1
M	37.3	29.1	38.5	30.0	40.2	30.8	42.4	32.2
A	37.5	29.2	38.6	30.0	40.3	31.0	42.5	32.3
M	37.6	29.3	38.7	30.0	40.4	31.0	42.7	32.6
J	na	na	38.6	30.1	40.0	30.9	42.7	33.0
J	37.6	29.4	38.8	30.0	40.7	30.9	43.0	33.0
A	37.7	29.5	39.1	30.2	41.0	31.0	43.2	34.4
S	37.7	29.6	39.1	30.4	41.1	31.3	43.4	35.0
O	na	na	39.3	30.4	41.3	31.3		
N	37.9	29.7	39.4	30.6	41.5	31.4	43.7	33.7
D	38.0	29.8	39.5	30.6	41.6	31.6		

	1979		1980		1981		1982	
	New	Used	New	Used	New	Used	New	Used
J								
F	44.0	34.5	44.6	34.7	45.0	35.0	45.7	37.0
M							45.7	37.0
A								
M	44.1	34.3	44.3	34.3	45.1	35.5	45.9	36.8
J							46.0	36.9
J								
A	44.5	34.4	44.9	34.9	45.2	36.0	46.1	36.9
S							46.1	37.1
O								
N	44.6	34.4	45.1	35.4	45.4	36.8	46.4	36.9
D							46.4	36.9

	1983		1984		1985		1986	
	New	Used	New	Used	New	Used	New	Used
J	46.0	38.2	46.3	39.5	50.7	41.3	51.2	42.8
F	45.9	37.7	46.4	39.4	51.4	41.1	51.3	42.5
M	45.9	37.7	46.7	39.4	52.2	41.3	51.0	42.4
A	45.8	37.7	47.1	39.5	51.5	41.3	50.6	42.5
M	45.4	37.9	47.7	39.7	50.9	41.4	49.4	42.5
J	45.6	38.0	48.2	39.8	51.3	41.3	49.5	42.7
J	45.7	38.0	48.6	39.8	51.7	41.5	49.9	42.8
A	35.9	38.0	49.2	39.8	51.1	41.6	50.4	42.9
S	46.2	38.0	49.5	39.9	51.2	41.4	na	na
O	46.2	38.0	49.7	39.9	51.5	41.4	na	na
N	46.3	38.0	50.0	39.9	52.0	41.5	na	na
D	46.3	37.9	50.2	39.8	52.1	41.4	na	na

na : not available

Sources : Federal Reserve Statistical Releases
G-26 (monthly) prior to 9/78
E-4 (quarterly) 10/78 - 9/82
G-19 (monthly) 10/82 - present

TABLE 36. SUMMARY OF INTEREST RATE REDUCTION PROGRAMS OF AUTO MANUFACTURERS NOVEMBER 1982 - OCTOBER 1983

	Interest Rate			Coverage			Average Interest Rate[2]		
Period[1]	GM	Ford	Chrysler	GM	Ford	Chrysler	Month	Banks	Fin. Cos.
1982									
Nov. 1 - Dec. 31	10.9	10.75	10.9	Selective; 1982 models only	Selective; certain large cars	Selective; 1982 and 1983 FWD cars, excluding vans	Nov. Dec.	15.97	12.82 12.57
1983									
Jan. 1 - Mar. 1	11.9	11.9	11.9	Broad	Broad	Broad	Jan. Feb. Mar.	14.81	12.25 12.05 12.07
Apr. 1 - May 31	9.9	9.9 11.9	9.8	Selective; mainly small cars	Fairly broad; small (9.9) large (11.9)	Selective; mainly small cars	Apr. May	13.90	11.90 11.94
June 1 - June 30	8.8	8.8 13.9	8.7	Selective; mainly small cars	Selective; small (8.8) large (13.9)	Selective; mainly small cars	June		11.57
July 1 - July 31	9.9	9.9 13.9	9.8[3]	Selective; mainly small cars	Selective; small (9.9) large (13.9)	Selective; mainly small cars	July		11.84
Aug. 1 - Sep. 30	10.9 12.9	10.9 13.9	12.9 13.1 13.5	Selective; small (10.9) J-, F- cars (12.9)	Selective; pick-ups only (10.9) cars (13.9), but only for 36 month loans	Broad	Aug. Sep.	13.50	12.77 13.62
Oct. 1 - Oct. 31	12.9	12.9	12.9	Broad	Broad	Broad	Oct.		13.54

1. Dates are approximate. Beginning and ending dates usually varied somewhat among firms.
2. The interest rate for banks is a simple average of the most common rate charged on 48 month loans at each of about 200 banks sampled. The rate shown for finance companies is a volume-weighted average of the rates charged by the financing subsidiaries of the auto manufacturers on all new car loans made during a month.
3. Customer given option of subsidized rate or a cash rebate on purchase price.

Source : Federal Reserve Bulletin, June 1986

TABLE 37. SUMMARY OF INTEREST RATE REDUCTION PROGRAMS OF AUTO MANUFACTURERS FEBRUARY 1985 - SEPTEMBER 1986

	Interest Rate			Coverage			Average Interest Rate[2]		
Period[1]	GM	Ford	Chrysler	GM	Ford	Chrysler	Month	Banks	Fin. Cos.
1985									
Feb. 22 - Apr. 22	8.8	8.8	8.8	Limited; certain light trucks	Selective; selected compacts, light trucks	Selective; compacts, trucks	Feb. Mar. Apr.	13.38	13.78 12.65 11.92
Mar. 21 - Apr. 30	8.8	8.8	8.8[3]	Selective; certain subcompacts	(Program continued)	(Program continued)			
May 5 - June 10	8.8	8.8	8.8	Selective	Selective; some luxury, subcompacts	Selective	May. June	13.16	11.87 12.06
Aug. 15 - Oct. 2	7.7	7.7[4]	7.7[5]	Broad	Broad	Broad	Aug. Sept.	12.72	10.87 8.84
Oct. 8 - Nov. 20	8.8	8.8	8.8	Selective; mixture of small, larger cars	Selective; mainly small cars	Selective; mainly small cars	Oct. Nov.	 12.39	9.97 11.71
1985-1986									
Dec. 27 - Feb. 22	7.9	7.9	8.6[5]	Selective; cars, trucks; 40% of product line	Selective; cars, trucks; 25% of product line	Selective; variety of cars	Dec. Jan. Feb.	 12.29	12.52 9.99 9.70
1986									
Feb. 23 - Apr. 12	9.9 7.7	9.9	7.5[6]	Broad; most vehicles (9.9) selected compacts (7.7)	Broad	Selective; certain small cars	Mar.		10.51
Apr. 14 - Aug. 27	9.9[7] to 5.9	8.9[7] to 6.9	6.8[6,7] to 5.8,5.5	Broad	Selective; small cars, some trucks	Selective; certain small cars	Apr. May June July	 11.45	10.55 9.49 9.35 9.31
Aug. 28 - early Oct.	9.9[8] to 2.9	9.9[4] to 2.9	9.9[5,7] to 2.4	Broad	Broad	Broad	Aug. Sep.	11.00	9.29 5.40

1. Dates are approximate. Beginning and ending dates usually varied somewhat among firms.
2. The interest rate for banks is a simple average of the most common rate charged on 48 month loans at each of about 200 banks sampled. The rate shown for finance companies is a volume-weighted average of the rates charged by the financing subsidiaries of the auto manufacturers on all new car loans made during a month.
3. Chrysler program includes some price rebates.
4. Ford program includes optional price rebates of up to $1,000.
5. Chrysler program includes optional rebates of up to $1,500.
6. Cash rebates available on broader range of cars.
7. Rates vary according to vehicle purchased and length of loan contracts; structure and coverage were modified during program.
8. GM program includes optional rebates of up to $1,500. Some rebates first offered in late July.

Source : Federal Reserve Bulletin, June 1986
Wall Street Journal

TABLE 38. HOUSEHOLD DEBT BURDEN (seasonally adjusted)
TOTAL CONSUMER INSTALLMENT CREDIT TO DISPOSABLE PERSONAL INCOME

	1975		1976		1977		1978	
	1	2	1	2	1	2	1	2
J	15.56%	14.25%	14.60%	13.33%	15.24%	12.77%	16.11%	13.43%
F	15.55	14.24	14.53	13.27	15.46	12.94	16.12	13.43
M	15.40	14.10	14.62	13.35	15.38	12.87	16.13	13.42
A	14.98	13.71	14.72	13.45	15.53	12.98	16.18	13.46
M	14.01	12.81	14.75	13.48	15.63	13.06	16.38	13.63
J	14.49	13.25	14.85	13.58	15.67	13.09	16.58	13.79
J	14.72	13.46	14.87	13.57	15.63	13.06	16.56	13.76
A	14.61	13.36	14.89	13.59	15.73	13.16	16.65	13.83
S	14.58	13.32	14.97	13.66	15.79	13.21	16.70	13.86
O	14.57	13.31	15.03	13.71	15.83	13.23	16.69	13.84
N	14.59	13.32	14.99	13.67	15.91	13.29	16.77	13.90
D	14.66	13.38	15.14	13.80	15.97	13.32	16.79	13.89

	1979		1980		1981		1982	
	1	2	1	2	1	2	1	2
J	16.87%	13.96%	17.00%	13.93%	15.24%	12.41%	14.86%	11.98%
F	16.91	13.97	17.03	13.94	15.20	12.36	14.81	11.94
M	16.90	13.95	16.89	13.83	15.18	12.34	14.81	11.92
A	17.03	14.05	16.84	13.79	15.22	12.35	14.72	11.84
M	17.15	14.14	16.68	13.65	15.29	12.39	14.78	11.87
J	17.21	14.18	16.43	13.43	15.21	12.31	14.88	11.93
J	17.07	14.07	16.09	13.14	15.01	12.15	14.62	11.69
A	17.10	14.06	16.00	13.07	14.90	12.07	14.65	11.71
S	17.18	14.12	15.83	12.93	14.94	12.07	14.68	11.72
O	17.20	14.12	15.68	12.81	14.90	12.03	14.60	11.65
N	17.23	14.12	15.54	12.69	14.90	12.02	14.50	11.58
D	17.15	14.07	15.43	12.58	14.86	11.99	14.52	11.59

	1983		1984		1985		1986	
	1	2	1	2	1	2	1	2
J	14.59%	11.66%	15.42%	12.20%	16.73%	13.08%	18.58%	14.49%
F	14.71	11.76	15.52	12.27	17.01	13.28	18.65	14.54
M	14.79	11.81	15.62	12.35	17.43	13.57	18.71	14.43
A	14.74	11.75	15.72	12.43	17.18	13.35	18.58	14.45
M	14.75	11.76	16.06	12.67	17.11	13.32	18.81	14.64
J	14.85	11.82	16.24	12.78	17.50	13.62	19.06	14.87
J	14.82	11.78	16.36	12.89	17.68	13.76	19.16	14.97
A	14.94	11.88	16.51	13.00	17.89	13.92	19.32	15.11
S	14.98	11.90	16.59	13.04	18.19	14.18	na	na
O	15.08	11.97	16.76	13.15	18.28	14.25	na	na
N	15.24	12.08	16.91	13.25	18.40	14.33	na	na
D	15.36	12.16	17.09	13.38	18.37	14.31	na	na

1 = debt burden including revolving credit
2 = debt burden excluding revolving credit

na : not available

Sources : Current Business Statistics
Federal Reserve Statistical Release G-19
(February - August 1986, preliminary data)

TABLE 39. MEASURES OF HOUSEHOLD LEVERAGE

Year	Financial Assets / Liabilities*	Liquid Assets / Outstanding Consumer Credit*	Financial Assets / Total Assets**	Total Liabilities / Total Assets**
1962	342%	504%	69.5%	12.4%
1963	344	487	70.6	12.8
1964	340	471	70.9	13.1
1965	338	458	71.5	13.3
1966	314	452	69.7	13.7
1967	336	470	70.9	13.2
1968	343	465	70.9	12.9
1969	312	441	68.8	13.6
1970	303	453	68.2	13.7
1971	304	456	68.4	13.6
1972	296	455	68.4	13.8
1973	251	441	65.8	14.7
1974	222	456	62.6	15.0
1975	239	489	63.9	14.3
1976	243	493	64.0	14.2
1977	224	475	62.4	14.9
1978	212	455	61.3	15.2
1979	212	446	61.7	15.2
1980	227	492	63.0	14.4
1981	223	524	62.6	14.4
1982	235	550	64.9	14.5
1983	237	540	64.9	14.6
1984	231	514	65.1	15.4
1985	239	467	66.4	16.2

* The data for these ratios are year-end outstandings for households, farm business, and non-farm non-corporate business. Liquid assets include checkable deposits and currency, time and savings deposits, money market fund shares, U.S. savings bonds, and other U.S. Treasury securities.

** The data for these ratios are year-end outstandings for households, personal trusts, and non-profit organizations.

Source: Flow of Funds Accounts
Board of Governors of the Federal Reserve System

TABLE 40. STUDENT LOANS AWARDED

Academic Year	Value of Loans Awarded (Millions) (Current $)	(Constant 1982 $)
1963 - 1964	$ 114	$ 356
1970 - 1971	1297	3152
1975 - 1976	1772	3082
1977 - 1978	2394	3690
1980 - 1981	6957	7753
1981 - 1982	7894	8096
1982 - 1983	7449	7323
1983 - 1984	8479	8040
1984 - 1985 (e)	9611	8696
1985 - 1986 (e)	10500	9283

(e) - Estimated.

* National Direct Student Loans (NDSL), Guaranteed Student Loans (GSL), Parent Loans for Undergraduate Students (PLUS), and other loans financed through private or state sources but guaranteed by the federal government.

Source : Trends in Student Aid, The Washington Office of the College Board

TABLE 41. UNIVERSITY OF MICHIGAN CONSUMER SENTIMENT INDEX

	1975*	1976*	1977*	1978	1979	1980
J				83.7	72.1	67.0
F	58.0	84.5	87.5	84.3	73.9	66.9
M				78.8	68.4	56.5
A				81.6	66.0	52.7
M	72.9	82.2	89.1	82.9	68.1	51.7
J				80.0	65.8	58.7
J				82.4	60.4	62.3
A	75.8	88.8	87.6	78.4	64.5	67.3
S				80.4	66.7	73.7
O				79.3	62.1	75.0
N	75.4	86.0	83.1	75.0	63.3	76.7
D				66.1	61.0	64.5

	1981	1982	1983	1984	1985	1986
J	71.4	71.0	70.4	100.1	96.0	95.6
F	66.9	66.5	74.6	97.4	93.7	95.9
M	66.5	62.0	80.8	101.0	93.7	95.1
A	72.4	65.5	89.1	96.1	94.6	96.2
M	76.3	67.5	93.3	98.1	91.8	94.8
J	73.1	65.7	92.2	95.5	96.5	99.3
J	74.1	65.4	93.9	96.6	94.0	97.7
A	77.2	65.4	90.9	99.1	92.4	94.9
S	73.1	69.3	89.9	100.9	92.1	na
O	70.3	73.4	89.3	96.3	88.4	na
N	62.5	72.1	91.1	95.7	90.9	na
D	64.3	71.9	94.2	92.9	93.9	na

na : not available

* Quarterly data available only

Source : Business Conditions Digest

TABLE 42. CREDIT LIFE INSURANCE

Year	Credit Life Insurance In Force in the U.S.* (Millions)	Credit Life / Consumer Credit**
1950	$ 3844	15.0%
1955	14493	32.0
1960	29101	44.8
1965	53020	51.5
1966	58059	53.0
1967	61535	53.4
1968	68357	53.9
1969	74598	54.2
1970	77392	54.1
1971	81931	51.9
1972	93410	52.6
1973	101154	49.7
1974	109623	51.4
1975	112032	50.3
1976	123569	49.7
1977	139402	48.3
1978	163081	48.3
1979	179250	46.8
1980	165215	44.0
1981	162356	40.7
1982	161144	38.5
1983	170659	35.9
1984	189951	33.4
1985	215973	32.1

* "Credit" is limited to life insurance on loans of 10 years duration or less; includes insurance on residents of the U.S., whether issued by U.S. or foreign companies.

** Credit Life as a percent of year-end outstanding consumer credit (seasonally adjusted) owed by households, personal trusts , and non-profit organizations.

Sources : American Council of Life Insurance
Flow of Funds, Board of Governors of the Federal Reserve System

TABLE 43. U.S. LIFE INSURANCE COMPANY POLICY LOANS (Millions of Dollars)

Year	
1950	$ 521
1955	669
1960	1420
1965	1702
1966	2613
1967	2365
1968	2741
1969	4118
1970	4149
1971	3400
1972	3252
1973	4602
1974	5332
1975	4600
1976	4826
1977	5115
1978	6260
1979	8739
1980	11535
1981	12641
1982	11449
1983	9468
1984	9543
1985	9742

Source : American Council of Life Insurance

TABLE 44. REGIONAL HOUSEHOLD CHARACTERISTICS

Regions Defined

New England - ME, VT, NH, MA, CT, RI
Mid Atlantic - NY, PA, NJ
East North Central - OH, IN, MI, IL, WI
West North Central - MO, IA, MN, KS, NE, SD, ND
South Atlantic - DE, DC, MD, WV, VA, NC, SC, GA, FL
East South Central - KY, TN, AL, MS
West South Central - AR, LA, OK, TX
Mountain - NM, AZ, CO, UT, NV, WY, ID, MT
Pacific - HI, AK, CA, OR, WA

Home Owners as a Percent of All Households*

Region	1981	1982	1983	1984	1985
New England	61.2%	61.9%	62.8%	63.2%	64.2%
Mid Atlantic	57.7	58.1	58.6	58.7	59.3
East North Central	67.8	68.4	69.3	69.4	69.7
West North Central	70.1	70.9	72.2	72.8	73.6
South Atlantic	66.0	66.7	68.6	69.9	71.2
East South Central	69.1	69.3	70.3	70.8	71.5
West South Central	65.8	67.1	70.3	72.0	72.9
Mountain	66.6	67.0	69.4	71.4	73.0
Pacific	57.2	57.3	58.4	59.1	60.2
Overall U.S.	64.0%	64.5%	65.9%	66.7%	67.6%

* Home owners estimated from number of owner occupied housing units in 1980 census plus new privately owned housing units started each year.

Sales of Existing Single Family Homes (000)

Region	1981	1982	1983	1984	1985	1986*
New England	105.6	98.7	155.2	170.4	206.0	207.2
Mid Atlantic	293.1	300.6	418.3	439.0	550.3	633.3
East North Central	429.0	333.4	490.5	520.7	625.8	692.1
West North Central	236.1	186.3	266.4	284.9	291.3	331.0
South Atlantic	466.2	386.1	524.3	564.2	640.3	695.6
East South Central	139.2	138.8	202.0	221.3	252.1	252.0
West South Central	358.2	294.4	361.8	342.3	344.5	321.8
Mountain	181.2	136.6	169.2	181.3	195.4	196.6
Pacific	429.4	300.3	442.4	478.9	508.2	564.6
Overall U.S.	2638.0	2175.2	3030.1	3203.0	3613.9	3894.2

* Estimated from 1st 3 quarters' data.

New Privately Owned Housing Units Started (000)

Region	1981	1982	1983	1984	1985	1986*
New England	41.0	42.2	59.2	76.2	92.5	117.7
Mid Atlantic	76.3	74.9	109.0	127.2	158.1	185.7
East North Central	101.2	83.6	128.2	141.7	149.8	196.7
West North Central	65.1	66.4	91.2	105.1	89.9	105.9
South Atlantic	288.0	252.8	430.4	480.1	475.9	485.3
East South Central	39.9	41.0	84.4	92.3	99.8	97.5
West South Central	235.8	299.1	421.2	294.8	205.8	143.8
Mountain	95.5	92.2	161.3	172.1	156.2	143.2
Pacific	145.5	114.3	221.8	263.4	308.9	333.5
Overall U.S.	1088.3	1066.5	1706.7	1752.9	1736.9	1809.3

* Estimated from 1st 3 quarters and part of 4th.

TABLE 44. (continued)

Unemployment Rate - Civilian Labor Force

Region	1981	1982	1983	1984	1985
New England	6.3%	7.8%	6.8%	4.9%	4.4%
Mid Atlantic	7.8	9.4	9.4	7.6	6.8
East North Central	9.7	12.5	12.0	9.4	8.8
West North Central	6.0	7.8	7.9	6.2	6.2
South Atlantic	7.0	8.7	8.5	6.5	6.1
East South Central	9.2	12.1	12.3	9.8	9.0
West South Central	5.9	7.5	8.9	7.0	7.9
Mountain	6.3	8.7	8.6	6.2	6.8
Pacific	7.8	10.2	9.9	8.1	7.4
Overall U.S.	7.6%	9.7%	9.6%	7.5%	7.2%

Non Business Bankruptcy Filings per 1000 Households

Region	1981	1982	1983	1984	1985
New England	1.66	1.66	1.40	1.09	1.00
Mid Atlantic	2.69	2.74	2.36	1.86	1.86
East North Central	5.39	5.09	4.69	4.20	4.11
West North Central	3.35	3.12	2.68	2.67	2.90
South Atlantic	3.05	2.89	2.79	2.39	2.67
East South Central	6.63	6.66	6.31	5.82	6.20
West South Central	2.13	2.03	2.35	2.43	2.79
Mountain	4.30	3.85	4.02	3.60	3.98
Pacific	4.63	5.04	5.45	5.19	5.19

Percent of Population Between 25 and 44 Years of Age

Region	1981	1982	1983	1984	1985
New England	28.2%	28.9%	29.6%	30.3%	31.0%
Mid Atlantic	27.6	28.2	28.7	29.3	29.8
East North Central	28.0	28.6	29.2	29.7	30.3
West North Central	27.2	27.8	28.4	29.0	29.6
South Atlantic	28.5	29.1	29.6	30.2	30.7
East South Central	27.4	28.0	28.6	29.1	29.7
West South Central	28.5	29.3	30.0	30.6	31.2
Mountain	29.7	30.5	31.2	31.7	32.2
Pacific	30.9	31.7	32.4	33.0	33.5
Overall U.S.	28.5%	29.1%	29.8%	30.3%	30.9%

Sources : U.S. Bureau of the Census (provisional estimates for 1985 households and population)
National Association of Realtors
National Association of Home Builders
Bankruptcy Division, Administrative Office of the U.S. District Courts
Bureau of Labor Statistics

TABLE 45. HOME OWNERS AS A PERCENT OF ALL HOUSEHOLDS* BY STATE

State	1981	1982	1983	1984	1985
AL	69.8%	69.9%	70.7%	70.8%	71.3%
AK	59.0	61.2	64.6	66.4	66.8
AZ	68.3	69.9	74.1	78.1	80.0
AR	70.1	70.7	71.6	71.6	72.0
CA	55.2	54.9	55.8	56.6	58.2
CO	64.3	65.0	67.8	70.1	71.2
CT	63.3	63.8	64.8	65.1	66.5
DE	68.9	69.2	69.5	69.9	70.5
DC	35.7	36.3	36.7	36.6	36.3
FL	68.0	68.8	71.4	73.7	74.5
GA	64.6	65.7	68.1	69.9	71.1
HI	52.1	52.7	53.4	53.3	54.3
ID	71.0	71.0	71.8	71.6	72.5
IL	62.0	62.5	63.2	63.2	63.8
IN	71.6	72.1	73.2	73.1	73.9
IA	71.5	72.4	73.2	73.1	73.9
KS	69.9	70.6	72.1	73.5	74.7
KY	69.4	69.6	70.2	70.4	71.0
LA	65.0	65.3	67.2	68.1	68.8
ME	70.0	70.7	71.3	71.4	71.7
MD	61.5	62.2	64.0	64.8	66.3
MA	57.1	57.8	58.5	58.7	59.8
MI	72.5	73.4	74.4	74.2	74.8
MN	71.4	72.3	73.9	74.9	76.0
MS	70.1	70.5	71.5	71.8	71.6
MO	69.2	69.9	70.8	71.2	72.4
MT	67.6	67.7	67.9	67.9	68.1
NE	67.9	68.4	69.6	69.7	70.4
NV	58.2	58.7	62.1	64.1	64.0
NH	67.0	67.6	69.1	70.3	72.3
NJ	61.4	61.8	62.8	63.2	63.6
NM	67.0	67.0	67.9	69.3	70.3
NY	48.3	48.6	48.9	48.7	49.2
NC	68.0	68.8	70.4	71.3	71.8
ND	68.3	69.4	71.1	72.0	72.1
OH	68.1	68.7	69.6	69.6	69.8
OK	70.0	70.4	73.1	75.2	76.0
OR	64.7	65.5	66.7	66.6	67.0
PA	69.5	70.0	70.7	70.7	71.6
RI	58.6	59.1	60.0	60.0	60.3
SC	69.3	70.1	71.8	72.9	73.8
SD	69.5	70.3	71.3	71.9	71.8
TN	67.8	68.4	70.3	71.4	71.9
TX	64.4	66.5	70.6	73.1	73.5
UT	69.7	69.3	70.6	72.5	75.1
VT	69.0	69.8	71.8	74.2	74.9
VA	65.1	65.7	67.6	68.9	70.5
WA	64.8	65.1	66.6	67.1	68.0
WV	69.8	70.1	70.4	70.4	70.2
WI	67.6	68.1	69.0	69.1	69.4
WY	67.9	67.5	68.7	70.2	71.2

* Home owners estimated from number of owner occupied housing units in 1980 Census plus new privately owned housing units started each year. Provisional estimates for households in 1985.

Sources : U.S. Bureau of the Census
National Association of Home Builders

TABLE 46. SALES OF EXISTING FAMILY HOMES BY STATE (Thousands of Units)

State	1981	1982	1983	1984	1985	1986*
AL	29.3	31.9	41.8	53.3	59.7	58.5
AK	6.0	4.3	12.1	9.2	10.0	8.9
AZ	50.6	37.9	50.7	59.8	71.7	74.7
AR	38.0	31.3	43.0	43.4	49.8	51.6
CA	333.0	233.8	343.2	382.1	407.2	457.9
CO	51.3	38.4	46.1	47.1	49.3	49.1
CT	26.8	21.3	37.8	44.5	56.0	49.7
DE	8.4	7.3	9.3	10.0	12.3	10.5
DC	6.2	5.5	7.5	7.8	9.9	12.2
FL	149.9	100.3	127.7	137.6	151.3	154.9
GA	54.6	35.8	51.0	60.1	65.1	73.8
HI	4.7	4.1	7.8	7.0	7.9	8.1
ID	11.3	9.3	11.3	12.3	11.5	10.8
IL	103.1	80.0	115.3	122.5	140.5	173.7
IN	53.6	41.4	57.2	64.5	90.1	84.6
IA	39.7	28.6	39.1	41.9	39.5	44.9
KS	41.9	33.4	49.3	49.8	47.4	55.0
KY	37.1	37.1	56.5	57.3	57.7	55.4
LA	40.6	45.7	63.0	50.3	44.1	33.4
ME	13.6	14.8	21.0	23.3	27.1	28.6
MD	47.1	43.8	60.8	66.8	80.9	83.6
MA	42.8	42.5	65.0	66.5	80.5	85.9
MI	120.1	94.8	135.1	139.4	167.2	177.0
MN	58.2	44.3	58.6	65.5	73.9	94.0
MS	22.9	23.0	32.6	32.0	35.5	33.5
MO	59.9	48.4	72.1	81.0	85.8	89.0
MT	11.4	9.3	12.4	12.4	11.1	12.4
NE	18.4	16.6	24.6	24.9	24.5	24.5
NV	11.2	8.2	10.2	9.4	10.0	11.1
NH	10.2	7.9	15.2	16.9	19.3	18.7
NJ	69.0	73.0	112.9	119.7	148.8	161.0
NM	22.8	15.9	18.3	19.1	19.8	17.4
NY	120.7	120.9	148.5	148.9	190.7	218.8
NC	69.6	70.0	93.0	103.2	123.2	133.1
ND	8.5	6.4	9.4	10.0	8.9	9.8
OH	102.8	83.0	129.1	138.3	162.5	181.2
OK	58.6	52.1	64.7	51.9	46.8	45.3
OR	35.9	24.4	34.4	35.7	39.3	40.5
PA	103.4	106.7	156.9	170.4	210.8	253.5
RI	6.0	6.2	8.8	11.0	13.2	13.0
SC	31.2	30.2	39.7	46.0	52.6	54.0
SD	9.5	8.6	13.3	11.8	11.3	13.8
TN	49.9	46.8	71.1	78.7	99.2	104.6
TX	221.0	165.3	191.1	196.7	203.8	191.5
UT	16.4	12.5	14.7	15.0	15.5	15.3
VT	6.2	6.0	7.4	8.2	9.9	11.3
VA	77.4	71.3	103.1	98.1	107.2	133.4
WA	49.8	33.7	44.9	44.9	43.8	49.2
WV	21.8	21.9	32.2	34.6	37.7	40.1
WI	49.4	34.2	53.8	56.0	65.5	75.6
WY	6.2	5.1	5.5	6.2	6.5	5.8

* Estimated from 1st 3 quarters' data.

Source : National Association of Realtors

TABLE 47. NEW PRIVATELY OWNED HOUSING UNITS STARTED BY STATE (Thousands of Units)

State	1981	1982	1983	1984	1985	1986*
AL	10.3	9.2	19.1	20.2	24.1	24.1
AK	5.3	8.6	12.8	7.5	6.0	1.8
AZ	32.3	33.2	62.8	73.1	70.6	62.3
AR	5.3	6.8	12.6	12.7	14.0	12.0
CA	99.1	77.8	166.8	213.4	251.9	279.2
CO	27.7	29.1	50.0	41.8	33.9	31.4
CT	9.4	10.6	15.4	18.8	22.4	28.0
DE	2.3	2.9	3.4	4.3	4.1	4.7
DC	0.9	0.4	0.3	0.5	0.3	0.3
FL	140.2	100.6	180.5	196.4	185.8	183.9
GA	38.1	43.2	72.1	80.2	80.6	85.2
HI	5.8	5.1	5.4	4.5	6.7	6.4
ID	3.4	2.3	4.1	4.4	5.1	4.2
IL	19.9	20.6	34.3	35.1	37.9	52.8
IN	17.4	14.0	20.4	23.6	22.9	30.3
IA	7.2	6.8	8.0	7.7	5.8	6.3
KS	10.3	10.9	16.8	20.1	13.6	15.1
KY	8.5	8.3	15.0	15.8	17.9	18.4
LA	22.0	22.6	40.1	30.8	21.4	13.4
ME	3.6	4.4	4.6	6.8	9.3	12.4
MD	17.2	20.4	36.0	37.0	39.2	41.0
MA	16.4	15.8	22.4	26.6	35.5	43.9
MI	20.6	15.3	23.5	30.2	34.9	46.7
MN	22.2	21.7	28.4	30.6	28.5	33.6
MS	6.4	6.8	12.8	13.8	12.4	12.0
MO	14.5	16.2	22.7	30.8	31.2	38.5
MT	2.3	2.1	2.7	3.5	3.2	1.6
NE	5.2	4.7	6.7	7.2	5.3	7.0
NV	9.7	7.5	15.0	12.9	13.8	16.1
NH	5.3	5.6	8.0	12.4	15.2	19.8
NJ	21.6	21.7	36.7	43.6	51.0	59.8
NM	7.6	7.9	11.2	16.2	12.1	11.7
NY	25.8	27.1	36.2	43.4	59.8	63.0
NC	37.9	35.5	53.6	62.7	71.7	67.2
ND	3.2	4.2	5.5	4.2	3.0	2.8
OH	27.0	19.7	31.9	33.5	34.6	44.8
OK	24.4	35.0	50.5	28.7	14.6	11.0
OR	12.2	7.1	9.0	8.6	10.4	10.1
PA	28.9	26.1	36.1	40.2	47.3	62.9
RI	3.2	2.8	3.8	4.2	5.0	7.1
SC	19.1	18.3	28.2	33.2	32.2	26.7
SD	2.5	1.9	3.1	4.5	2.5	2.6
TN	14.7	16.7	37.5	42.5	45.4	43.0
TX	184.1	234.7	318.0	222.6	155.8	107.4
UT	8.0	6.8	12.8	18.2	15.8	14.6
VT	3.1	3.0	5.0	7.4	5.1	6.5
VA	29.6	29.3	54.0	62.9	59.9	73.2
WA	23.1	15.7	27.8	29.4	33.9	36.0
WV	2.7	2.2	2.3	2.9	2.1	3.1
WI	16.3	14.0	18.1	19.3	19.5	22.1
WY	4.5	3.3	2.7	2.0	1.7	1.3

* Estimated from 1st 3 quarters' data and part of 4th.

Source : National Association of Home Builders

TABLE 48. UNEMPLOYMENT RATE BY STATE - CIVILIAN LABOR FORCE

State	1981	1982	1983	1984	1985	1986
AL	10.7	14.4	13.7	11.1	8.9	9.6
AK	9.3	9.9	10.3	10.0	9.7	10.9
AZ	6.1	9.9	9.1	5.0	6.5	6.7
AR	9.1	9.8	10.1	8.9	8.7	8.8
CA	7.4	9.9	9.7	7.8	7.2	6.8
CO	5.5	7.7	6.6	5.6	5.9	7.0
CT	6.2	6.9	6.0	4.6	4.9	3.9
DE	7.9	8.5	8.1	6.2	5.3	5.1
DC	9.0	10.6	11.7	9.0	8.4	7.4
FL	6.8	8.2	8.6	6.3	6.0	5.8
GA	6.4	7.8	7.5	6.0	6.5	5.9
HI	5.4	6.7	6.5	5.6	5.6	5.3
ID	7.6	9.8	9.8	7.2	7.9	8.8
IL	8.5	11.3	11.4	9.1	9.0	8.5
IN	10.1	11.9	11.1	8.6	7.9	6.9
IA	6.9	8.5	8.1	7.0	8.0	7.5
KS	4.2	6.3	6.1	5.2	5.0	5.6
KY	8.4	10.6	11.7	9.3	9.5	9.7
LA	8.4	10.3	11.8	10.0	11.5	13.1
ME	7.2	8.6	9.0	6.1	5.4	5.6
MD	7.3	8.4	6.9	5.4	4.6	4.3
MA	6.4	7.9	6.9	4.8	3.9	4.0
MI	12.3	15.5	14.2	11.2	9.9	9.1
MN	5.5	7.8	8.2	6.3	6.0	5.8
MS	8.3	11.0	12.6	10.8	10.3	11.7
MO	7.7	9.2	9.9	7.2	6.4	6.1
MT	6.9	8.6	8.8	7.4	7.7	7.9
NE	4.1	6.1	5.7	4.4	5.5	5.2
NV	7.1	10.1	9.8	7.8	8.0	6.5
NH	5.0	7.4	5.4	4.3	3.9	3.4
NJ	7.3	9.0	7.8	6.2	5.7	5.3
NM	7.3	9.2	10.1	7.5	8.8	9.2
NY	7.6	8.6	8.6	7.2	6.5	6.5
NC	6.4	9.0	8.9	6.7	5.4	5.4
ND	5.0	5.9	5.6	5.1	5.9	6.7
OH	9.6	12.5	12.2	9.4	8.9	8.3
OK	3.6	5.7	9.0	7.0	7.1	8.4
OR	9.9	11.5	10.8	9.4	8.8	9.0
PA	8.4	10.9	11.8	9.1	8.0	7.3
RI	7.6	10.2	8.3	5.3	4.9	4.1
SC	8.4	10.8	10.0	7.1	6.8	6.8
SD	5.1	5.5	5.4	4.3	5.1	4.5
TN	9.1	11.8	11.5	8.6	8.0	8.0
TX	5.3	6.9	8.0	5.9	7.0	8.9
UT	6.7	7.8	9.2	6.5	5.9	5.6
VT	5.7	6.9	6.9	5.2	4.8	4.5
VA	6.1	7.7	6.1	5.0	5.6	5.2
WA	9.5	12.1	11.2	9.5	8.1	7.9
WV	10.7	13.9	18.0	15.0	13.0	11.7
WI	7.8	10.7	10.4	7.3	7.2	7.2
WY	4.1	5.8	8.4	6.3	7.1	9.5

Source : Bureau of Labor Statistics

TABLE 49. NONBUSINESS BANKRUPTCY FILINGS PER 1000 HOUSEHOLDS BY STATE

State	1981	1982	1983	1984	1985
AL	7.07	7.28	7.04	6.24	6.84
AK	1.50	1.06	1.08	1.17	1.69
AZ	3.40	3.34	3.58	3.11	3.30
AR	2.77	2.84	2.91	3.03	3.76
CA	4.84	5.39	5.91	5.50	5.38
CO	4.59	3.71	3.89	3.43	4.06
CT	1.87	2.03	1.77	1.35	1.28
DE	2.50	2.29	1.91	1.70	1.80
DC	2.63	2.56	2.83	2.24	2.30
FL	1.42	1.52	1.52	1.34	1.55
GA	5.42	5.68	5.81	5.24	5.89
HI	1.80	1.71	1.30	1.18	1.10
ID	5.34	6.03	5.19	4.36	4.96
IL	5.80	5.35	5.17	5.03	5.19
IN	6.46	5.97	5.80	5.48	5.41
IA	3.03	2.44	1.98	2.00	2.53
KS	4.34	4.06	4.11	3.79	4.09
KY	5.54	4.89	4.39	4.37	4.52
LA	3.04	3.08	3.66	3.58	4.10
ME	1.85	1.61	1.19	1.05	1.04
MD	3.26	2.38	2.65	2.02	2.20
MA	1.42	1.35	1.17	0.87	0.74
MI	4.18	3.87	3.44	2.49	2.18
MN	2.97	2.94	2.37	2.24	2.56
MS	5.73	5.87	5.52	4.83	5.02
MO	3.60	3.52	2.91	2.92	2.98
MT	3.20	2.91	2.48	2.50	2.54
NE	4.06	3.29	2.79	3.06	3.53
NV	6.60	6.12	6.72	6.23	6.20
NH	1.77	1.88	1.20	1.07	1.08
NJ	2.27	2.72	2.79	2.18	2.03
NM	2.85	2.46	2.84	2.68	2.55
NY	3.31	2.85	2.21	1.78	1.74
NC	3.58	2.88	2.38	1.75	1.96
ND	1.65	1.70	1.42	1.27	1.51
OH	6.56	6.20	5.30	4.48	4.33
OK	3.55	2.96	3.74	4.38	4.44
OR	4.36	4.48	4.27	4.63	4.54
PA	2.01	2.59	2.32	1.77	1.92
RI	2.50	2.49	2.34	1.85	1.71
SC	1.28	1.71	1.68	1.48	1.78
SD	1.49	1.66	1.47	2.45	1.54
TN	7.59	7.98	7.66	7.18	7.57
TX	1.45	1.40	1.60	1.62	1.94
UT	5.97	4.82	5.34	4.71	5.60
VT	1.03	0.98	0.75	0.71	0.73
VA	4.53	4.22	3.81	3.48	3.74
WA	4.39	4.36	4.63	4.72	5.70
WV	2.61	2.70	2.51	2.09	2.08
WI	2.76	3.19	3.20	3.25	3.14
WY	2.51	2.09	2.45	2.84	3.10

Sources : Bankruptcy Division, Administrative Office of the U.S. District Courts
U.S. Bureau of the Census (provisional estimates for households in 1985)

TABLE 50. PERCENT OF POPULATION BETWEEN 25 AND 44 YEARS OF AGE BY STATE

State	1981	1982	1983	1984	1985
AL	27.1	27.6	28.2	28.8	29.4
AK	36.8	37.3	37.6	37.6	37.4
AZ	28.1	28.8	29.4	29.9	30.5
AR	26.0	26.5	26.9	27.4	27.9
CA	30.8	31.7	32.4	33.0	33.5
CO	32.9	33.8	34.5	35.2	35.8
CT	28.4	29.0	29.6	30.1	30.6
DE	28.1	28.7	29.4	30.0	30.7
DC	32.1	33.0	33.9	34.6	35.3
FL	25.9	26.5	27.1	27.6	28.0
GA	29.6	30.2	30.7	31.2	31.7
HI	30.9	31.5	32.0	32.4	32.6
ID	28.2	28.6	29.1	29.6	30.0
IL	28.3	28.9	29.5	30.0	30.5
IN	27.8	28.3	28.9	29.5	30.1
IA	26.5	27.1	27.8	28.4	29.0
KS	27.2	27.9	28.6	29.2	29.8
KY	27.7	28.3	28.9	29.4	30.0
LA	27.8	28.5	29.1	29.8	30.4
ME	27.4	28.1	28.6	29.2	29.9
MD	30.4	31.0	31.5	32.0	32.5
MA	28.2	29.0	29.7	30.5	31.3
MI	28.2	28.9	29.5	30.1	30.7
MN	28.5	29.1	29.7	30.3	30.9
MS	25.6	26.1	26.6	27.1	27.7
MO	27.0	27.6	28.1	28.6	29.2
MT	28.9	29.4	30.0	30.6	31.0
NE	27.0	27.6	28.2	28.7	29.2
NV	32.5	33.7	34.4	35.1	35.6
NH	29.6	30.3	31.0	31.7	32.5
NJ	28.0	28.5	29.0	29.5	30.0
NM	28.3	28.9	29.4	29.8	30.2
NY	28.1	28.7	29.2	29.7	30.2
NC	28.6	29.2	29.8	30.5	31.2
ND	26.6	27.4	28.2	29.0	29.6
OH	27.8	28.3	28.9	29.4	29.9
OK	27.6	28.4	29.0	29.5	30.0
OR	30.8	31.5	32.1	32.6	33.0
PA	26.6	27.2	27.8	28.4	29.0
RI	26.8	27.5	28.2	29.1	30.1
SC	28.5	29.2	29.8	30.5	31.1
SD	25.1	25.8	26.3	27.0	27.7
TN	28.5	29.1	29.7	30.3	30.8
TX	29.3	30.1	30.9	31.5	32.1
UT	27.1	27.9	28.6	29.1	29.4
VT	29.1	29.6	30.3	31.1	32.0
VA	30.5	31.1	31.7	32.3	32.7
WA	30.8	31.7	32.4	33.0	33.6
WV	27.0	27.6	28.2	28.9	29.4
WI	27.3	28.0	28.6	29.2	29.9
WY	31.6	32.7	33.5	34.3	35.0

Source : U.S. Bureau of the Census (provisional estimates for 1985 population)

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